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ABSTRACT

The data provided in the second volume of this two-volume report are interpreted within the context of the social and economic problems identified in the first volume. With its lack of diversified industry, Johnstown, Pennsylvania was found to have the revenue problems typical of a depressed economy, accentuated by a decline in markets for its coal and steel. A natural advantage in manufacturing had been harmful to diversification, resulting in relatively great cyclical fluctuations. Johnstown exhibits population characteristics typical of a depressed area, with a low median income and migration of productive manpower out of the area. Using a random sample of 700 households and interviews with various civic leaders, the researchers determined how community attitudes were shaped by such factors as poverty and racial discrimination. On the basis of new knowledge of the peoples' aspirations, background information of the area, and labor force projections, they found shortcomings in the coordination of governmental and private agencies and in public spending. A facelifting is required before this area can attract the new industry which it so desperately needs. Volume I of the study is available as VT 011 116. (BH)

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THE POTENTIAL FOR HUMAN RESOURCES AND ECONOMIC GROWTH IN A DECLINING LOCAL COMMUNITY

VOLUME II

A Socio-Economic Study of
the Johnstown, Pennsylvania Economy

Louis Levine
Project Director

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September 1969

Institute for Research on Human Resources
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CHAPTER 13

EDUCATION AND TRAINING

The Importance to the Local Economy

It has been said that the "industry of knowledge" is the most rapidly growing industry, creating the largest aggregates of employment opportunities, in the entire national economy. This category is composed of a broad range of activities and services; including all levels of education as well as printing and publishing, storage and retrieval of data and information, communications, and many other related activities. Viewed from the standpoint of employment creating activity, the potential of education for the Johnstown economy is considerable. This is especially true if one takes into account the multiplier effects, such as trade and service, which are associated with educational activity.

Consideration needs also to be given to the fact that education is not merely another facet of social services. On the contrary, education represents an investment in human capital, the yields and returns of which often exceed those obtained from investment in new plant and equipment. Apart from considerations of the needs for good citizenship in a democracy and the importance of creating social values from the appreciation of our cultural heritage, education is the primary means by which professional, technical and others' skills are developed for a highly productive and efficient work force. In the case of the Johnstown economy, it may well be that the single greatest economic asset which the area has to offer to new industry is the capabilities--current and potential--of its human resources. Because there is a long lead time involved in the development and preparation of human resources before they become productive in an advanced and sophisticated economy, it is necessary to recognize that certain economic benefits cannot be realized without a considerable time lapse.

Over and above the economic considerations which dictate greater emphasis upon education in the Greater Johnstown Area, there is a responsibility to the youth of the area which calls for improvement and expansion of educational activities, if for no other reason than their own economic well being. With today's rapidly changing technology, education and training are no longer simply requisites for a satisfactory income; they are prerequisites for any earned income at all. In 1962 the U. S. Bureau of Labor Statistics surveyed 9.6 million workers eighteen years old and over who had been employed for a minimum of five weeks in 1961. "Only a third of the unemployed, compared with over half the civilian labor force, were high school graduates."[1] "Moreover--the median income of the long-term unemployed was only about $1,400. . . ."[2]

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[1] Robert L. Stein, "Work History, Attitudes, and Income of the Unemployed," in Men Without Work, Ed. Stanley Lebergott, Prentice Hall, Inc. 1964, p. 131.

[2] Ibid., p. 139.

Current industry specifications indicate that the standard liberal high school education is becoming less adequate in the job market. Indeed a high school certificate is a prerequisite to enter employment. It must be complemented by some sort of specialized training. For the youth of Johnstown if they are to attain adequate standards of living in the future they will need either: (1) a high school education supplemented by vocational training, or (2) a college education. It behooves the Johnstown area to foster both the incentives and the institutions necessary to achieve this for its young population, and not simply to ensure adequate incomes for them.

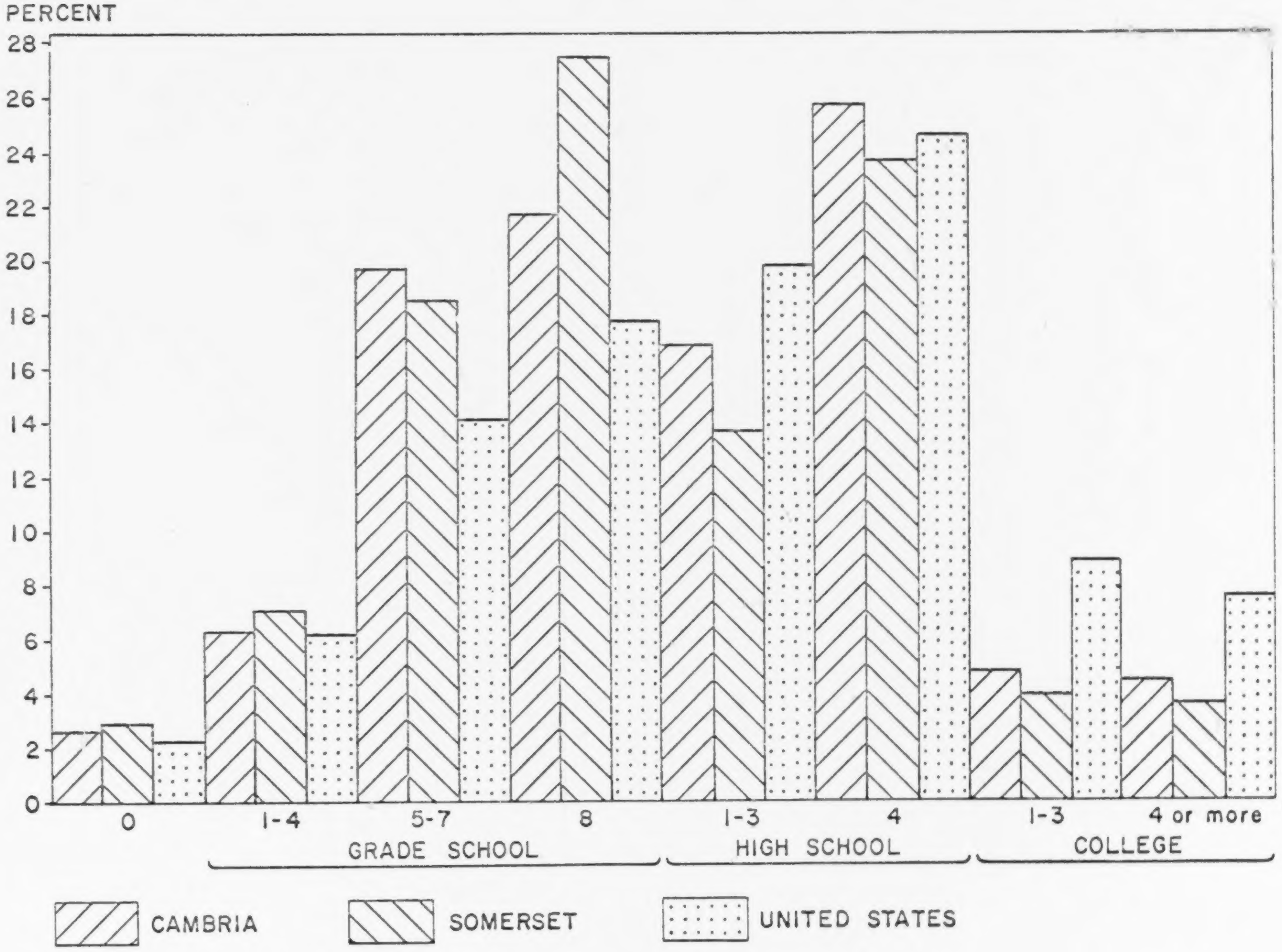
Johnstown's ability to educate its population is not the equivalent of the resources available to provide an educated labor force. Many of those educated and trained in the Labor Market Area will migrate elsewhere, and much of Johnstown's labor supply will be educated outside the Labor Market Area. It is not realistic to view the two county area as an isolated and immobile labor pool. Such facilities as Indiana University, the University of Pittsburgh, and others are important to the higher education of the Johnstown populace. This section, however, is restricted to an analysis of the educational facilities within the two-county area. Such an analysis should also take account of the educational attainment of the population of Johnstown.

Educational Status of the Johnstown Population

It is evident from Figure 9 that the educational level of the Johnstown area is quite low compared to that of the country generally. In 1960, better than half of the Labor Market Area's population over 24 years old had absolutely no high school education. The average for the country was less than one-third. The median level of education for the area for both males and females was well below that for the nation (see Appendix Table B-21), and

FIGURE 9.

EDUCATIONAL ATTAINMENT, RESIDENTS AGE 25 AND OVER, CAMBRIA AND SOMERSET COUNTIES, AND UNITED STATES, 1960



SOURCE: APPENDIX TABLE B-21.

only about 4 percent were college graduates. Between the two counties, Cambria has a slightly better educated population. This educational status of the Johnstown population reflects the failure to retain high school graduates in the local area. It in no way means that the local population prior to out-migration, consisted of large numbers of high school dropouts. Neither does this situation reflect on the quality of the Johnstown school system. In fact it supports the view that high school graduates must seek employment elsewhere.

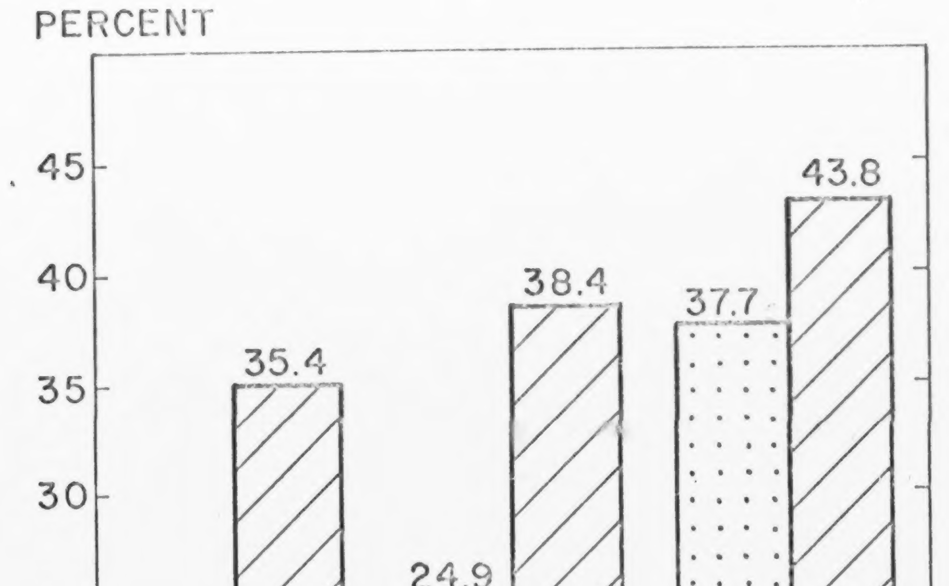
The implications of this situation for the Johnstown economy are clear. With the rapidly changing and more refined technologies, sophisticated marketing systems and increasing need for long-range planning, industrial needs are oriented toward an educated labor force, and will become more so in the future. If Johnstown is to attract new industry it must be able to compete with other areas in terms of its labor force. It would seem from more recent data that the area is not able to do this.

Figure 10 shows that the proportion of students from the two counties in 1965 who went on to college was much less than it was for the state. The indication is that far from the Johnstown area "catching up" in the degree of education of its population it is in fact falling further behind in relative terms.

College is not the only educational institutional arrangement available to the high school graduate. When looking at other schooling for the high school graduate Cambria County again is second to Somerset. 9.8 percent of Cambria's public school graduates attend schools other than colleges compared to 13.5 percent for Somerset County. Of the Somerset County public school graduates 5 percent attended vocational or technical schools compared to only 3.8 percent for Cambria students. In both of these cases Somerset County exceeded the state figure, while Cambria County was below the state figures (see Appendix Table B-22).

FIGURE 10.

PERCENTAGE OF 1965 HIGH SCHOOL GRADUATES ENTERING COLLEGE; CAMBRIA AND SOMERSET COUNTIES AND PENNSYLVANIA



SOURCE: APPENDIX TABLE B-22.

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There is no reason to believe that because of out-migration of high school graduates from the Johnstown area the post-high school educational attainment of the population is relatively low. When consideration is given to the low income implications for post high school education it is not surprising that the pursuit of college study is less likely than in more prosperous areas. It is not clear why in both counties the proportion of nonpublic school graduates attending college is greater than that for the public schools. The experience of those graduating from nonpublic schools in this area is closer to the average for the state than is the case for the public schools. One possible reason for this is that the economic status of the two groups of students differ with the advantage being on the side of the nonpublic school student. No data is available to investigate this possibility. Nor is it feasible to examine the motivation of the students of the Johnstown area for attending college.

The Contribution of the Public School System

The quality of operation of the public schools in the Johnstown area is of key importance for its future, since it is the responsibility of these schools to educate the majority of the youth and prepare them either for further schooling or entering the labor market. As a first step in evaluating the public school system the distribution of its expenditures is analyzed.

Table 12 indicates that in general the relative distribution of funds in the two-county region conforms to that for the United States as a whole. The two major discrepancies are: (1) Cambria and Somerset Counties have approximately 60 percent of their expenses allotted to instruction, which is 5 percent over the relative disbursement for the nation, and (2) relative capital outlays are much less for Cambria County than for the nation as a whole.

TABLE 12

DISTRIBUTION OF PUBLIC SCHOOL EXPENDITURES FOR THE UNITED STATES (1966-67) AND CAMBRIA AND SOMERSET COUNTIES (1965-66)

(Percentages of Total Expenditures)

	CAMBRIA	SOMERSET	UNITED STATES
Administration	5.0	4.1	3.5
Instruction	60.3	59.9	55.1
Plant Operation	6.5	6.6	6.8
Plant Maintenance	2.8	2.0	2.5
Fixed Charges	4.8	4.7	6.3
Other Services	7.5	9.1	8.5
Capital Outlay	8.7	12.0	14.0
Interest	1.5	1.5	3.3

Source: Bureau of the Census, Statistical Abstract of the United States, 1967.

Pennsylvania Department of Public Instruction, Statistical Report of the Superintendent of Public Instruction (Statistical Series No. 13), 1968.

With regard to absolute total expenditures, expenditure per pupil is substantially less in both counties than it is in the state. The inference here is that not enough money is being spent on public education in the area. Money is not a surrogate for quality to be sure, however, many argue that the more money spent on a child's education the better will be the quality of that education. There is further evidence to indicate that the quality of education may be lacking in the area, especially in Cambria County.

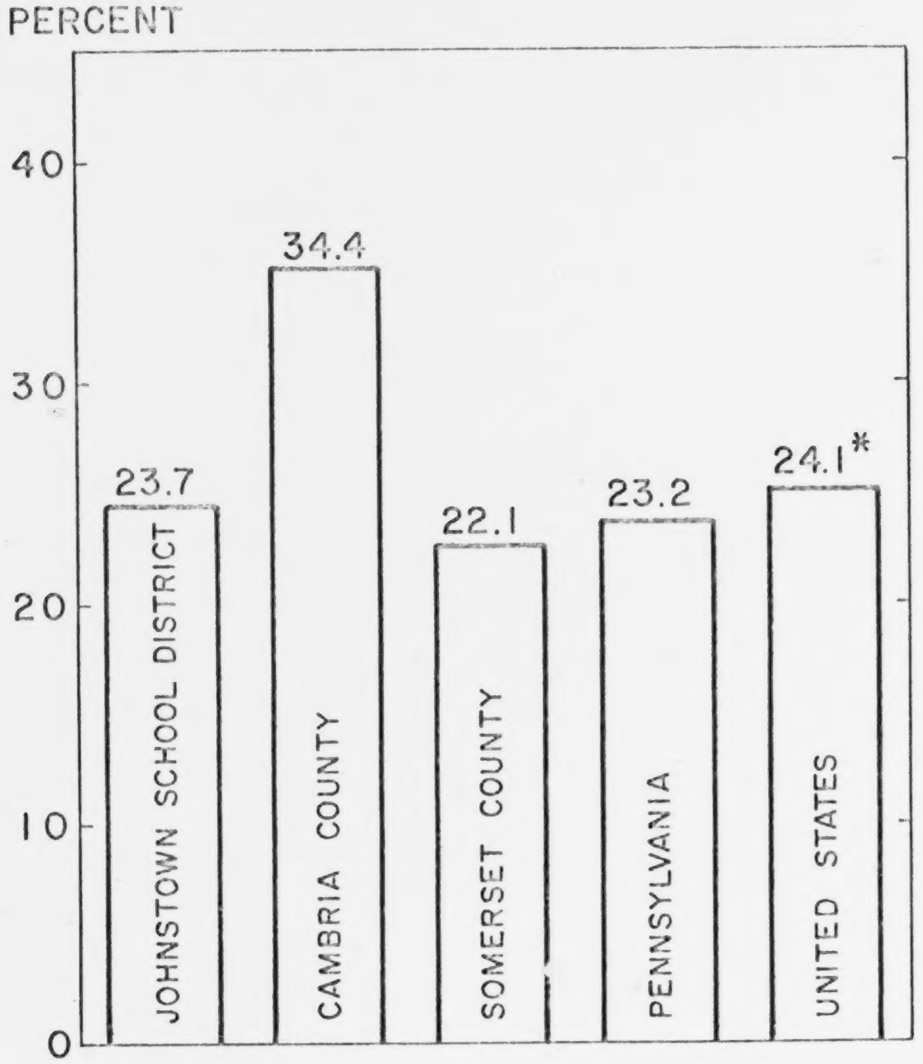
Despite the fact that a high percentage of total expenditure goes for instruction in Cambria County the fact that the absolute total is not large enough has certain consequences. The relative proportion of funds allocated for instruction which is spent for teachers in Cambria County is slightly higher than for the state (see Appendix Table B-23). However, the pupil-teacher ratio is higher by over 10 students per teacher for Cambria County compared to the state (see Figure 11). Again, the inference with respect to quality is for a poorer quality education in Cambria County than for the state or Nation on the assumption that overcrowding classrooms and less personalized instruction have deleterious effects on a child's education.

The reverse conclusion holds for Somerset County due to a low pupil-teacher ratio. Also evident in Figure 8 is the fact that it is the school districts in Cambria County outside the city school district which suffer in this regard (with a pupil-teacher ratio of approximately 40).

There is one aspect of the Johnstown school system which tends to offset the advantage of the lower pupil-teacher ratio, namely its physical plant. Capital outlay includes cost of: new sites and addition to sites, new buildings, addition to buildings, remodeling buildings, and equipment and furniture. Not only does Cambria County have low expenditure per pupil, but as shown the percentage of that expenditure on capital outlay

FIGURE II.

TEACHER-PUPIL RATIOS, 1965-66, CAMBRIA AND SOMERSET COUNTIES, PENNSYLVANIA, AND THE UNITED STATES



* 1966-67

SOURCE: COMPUTED FROM THE PENNSYLVANIA DEPARTMENT OF PUBLIC INSTRUCTION, STATISTICAL REPORT OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION. (STATISTICAL SERIES NO. 13, 1968). UNITED STATES BUREAU OF THE CENSUS, STATISTICAL ABSTRACT OF THE UNITED STATES, 1968.

is very small. Cambria County spends very little on the physical aspects of the education process. The same is true of Somerset County, but to a lesser degree. This situation is especially dire in the Johnstown School District. Ninety-two percent of the educational structures were built prior to 1930, and there has been only one new school built since 1960 (see Appendix Table B-24).

It is not within the purview of this report to evaluate the quality of teachers. The survey, Schools for Greater Johnstown,[3] conducted in 1957 found that a relatively high proportion of teachers were local people, thus providing an undesirable insulation for the educational process in the city district, as well as a high proportion of teachers with provisional teaching certificates. This situation does not seem to have improved: no criteria have yet been established for the hiring of teachers, and few teachers have been hired from outside the area.

The situation regarding physical plant is not sanguine.[4] Joseph-Johns High School will be torn down, and as yet no arrangements have been made to absorb the approximately 900 students who will be displaced. On February 10, 1969 the Greater Johnstown School Board accepted by a 5-3 vote a building program of around $14 million. It is probable that this program will meet opposition. But even if there is no opposition, $14 million will not prove a panacea. If one considers that the new Vocational-Technical School will cost over $10 million with a student capacity

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3. Office of Field Services, School of Education, University of Pittsburgh, Schools for a Greater Johnstown, 1957.

4. Much of the information in this and the following section on vocational education has been obtained from various issues of the Johnstown Tribune-Democrat newspaper and Automation and Technology, and How They are Changing the Johnstown Trading Area. Pamphlet published by Johnstown Poster Advertising Company, 1968.

of 1,500 pupils, the elasticity of $14 million for construction is seen to be limited. Nevertheless, the acceptance of the resolution indicates that at least some of the relevant persons in Johnstown are thinking in terms of longer range planning in education. This is obviously what is needed.

Expanding Vocational-Technical Education

Vocational education today is of great importance, since many old skills are rapidly becoming obsolete being replaced by new skill needs. The importance of vocational training is particularly acute in the Johnstown area. As shown, relatively few students go on to college, which necessitates some kind of technical training for a great many of Johnstown's youth if they are to receive decent employment. The need for vocational training is strengthened if account is taken of the fact that Johnstown must attract new industry if it is to retain viability as a social-economic community. The skills that presently exist in the area in many cases are not applicable to many types of production. If Johnstown is to attract certain types of firms it must be able to generate the skills required by these firms' production techniques.

At present Cambria County has a relatively small vocational program: of its secondary school enrollment only 4.6 percent are in a vocational curriculum. Taking account of all those who apprentice themselves, there is left 62.7 percent of public school graduates who are available to the labor market.[5] Of these only a very few have received any skills in school.

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[5] Computed from Pennsylvania Department of Public Instruction, Statistical Report of the Superintendent (Statistical Series No. 13), 1968, Home Economics enrollment excluded.

Somerset students are relatively better off in this regard. Although the need for vocational training has not been overlooked in the Johnstown area its potential is far from realized. A new Vocational-Technical School is scheduled to open in the Fall of 1970 with a capacity of 1,500 pupils. There are seven school districts to be served by the school: Conemaugh Township, Union, Ferndale Area, Forest Hills, Greater Johnstown, Richland Township, Westmont Hilltop, and Windber area. It is interesting that two of these districts are in Somerset County. The Vocational-Technical School, thus sets a precedent for area cooperation. It is this type of cooperation which would facilitate and enhance future plans for improving the area's economic status.

The need for a school of this sort is evident. In the community college survey taken in 1966, 63 percent of employers interviewed stated that "the proportion of their employees requiring more than a regular high school training would increase during the next ten years."[6]

Enrollment in the school will be about 20 percent of the entire student population, however, a student interest survey indicated that over 45 percent of the students were interested in the proposed course offerings. Evidence indicates that not only do area employers need the services of the school, but the students also are desirous of attending.

The courses to be offered by the new school are the following: (1) Vocational; auto mechanics, auto body, service station mechanic, heavy machinery mechanic, cosmetology, printing and general offset, commercial art, machinist, metal fabrication, welding, advanced secretarial, advanced business and office practice, electrician, health assistant, food service and preparation, building maintenance, carpentry and mill work, heating, ventilating,

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6. "Application for the approval of the educational program for the Greater Johnstown Area Vocational-Technical School" (no date of issue given), p. 36.

and air conditioning, trowel tracks, distributive education, and floriculture and horticulture; (2) Technical; structural and architectural design, drafting and machine design, civil technology, production and quality control, tool and die technology, scientific data processing, computer programming, electronics technology, instrumentation technology, metallurgical technology, chemical technology, medical laboratory technician assistant, agricultural technology. In addition there will be adult evening courses as well as adult daytime courses in power sewing and practical nursing.

In establishing this curriculum the occupations considered by Cambria County employers to require specialized training were taken into consideration. The school is not rigidly structured to the present or even future needs of the extant employers in the area. It is felt by some people who are very close to the project that the curriculum is adaptable to the needs of prospective new employers to the area. Such a degree of flexibility is not only desirable but may in fact be necessary to the attraction of new industry to the area. For the most part, industry views vocational schools as an asset to an area. One survey conducted in Massachusetts found that approximately 70 percent of industry representatives when asked to judge vocational education in terms of 28 factors such as its relative cost-benefit ratio, the end product, the value to the community, etc., responded favorably.[7]

There are advantages of the vocational school other than the attraction of industry. In a study conducted in three Pennsylvania cities, it was found that:

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[7] Jacob J. Kaufman, C. J. Schaefer (Rutgers University). Occupational Education for Massachusetts. Research Report for the Massachusetts Advisory Council on Education 295 pp. (1968).

> Vocational graduates thought that they were better prepared for their jobs than graduates of the academic or general curriculum. Vocational graduates experiences less unemployment, had more rapid increases in earnings, and received, on the average, higher monthly incomes. Even when the higher costs of vocational training are entered into the equation, vocational education still yielded a higher return.[8]

The evidence indicates that the vocational school will benefit both employers and employees in the Johnstown area. There are some who argue, however, that these benefits are not the only possible benefits, and further that traditional vocational education ignores certain students. The basic argument is that the framework of vocational education be made more general to train individuals, not in a specialized skill, but in a general competency which will permit the student to choose his skill, and to adapt to changing skills. A curriculum of broad vocational offerings would permit the student more options, and a more general education. "These new programs should be aimed at the large proportion of students who see little of personal relevance in either the traditional vocational curriculum or the academic curriculum."[9] By making the curriculum more general and more relevant, it would become more attractive to those with little or no special interests or talent in vocational or academic training: i.e., the "dropout."[10]

The new vocational-technical school planned for the Johnstown area will definitely benefit the area; however, the possibility exists that because of its structuring, it will not realize all of its potential benefits to the community.

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[8] Jacob J. Kaufman and Morgan V. Lewis, The Potential of Vocational Education: Observations and Conclusions. Based on a Study of Three Selected Cities in Pennsylvania, The Institute for Research on Human Resources, The Pennsylvania State University, May 1968, p. 116.

[9] Ibid., p. 133.

[10] For a more extensive treatment of this view see Ibid.

The Greater Johnstown Area Vocational-Technical School is not the only one of its type on the area horizon. Fifteen of the twenty school districts in Somerset County have signed articles of agreement to establish and operate a similar school in that county.

Another component of vocational training in the Johnstown area which has important economic implications is nurse training. Figure 12 indicates the high proportion of nurses in the area. One of the major reasons for this is a good-sized training program in the area. The Conemaugh Valley Memorial Hospital and Mercy Hospital have student nurse training programs. At present the Memorial Hospital has approximately 150 student nurses. Mercy Hospital has 125 student nurses as well as 15 laboratory students. In addition the Greater Johnstown School District operates a Practical Nurse Training Program. Since it began operation in 1952 it has had over 700 graduates. The program has continually expanded and is expected to continue to do so in the future.

Also in the health field, the Pennsylvania Department of Health has been conducting training courses for ambulance attendants at Memorial and Mercy Hospitals.

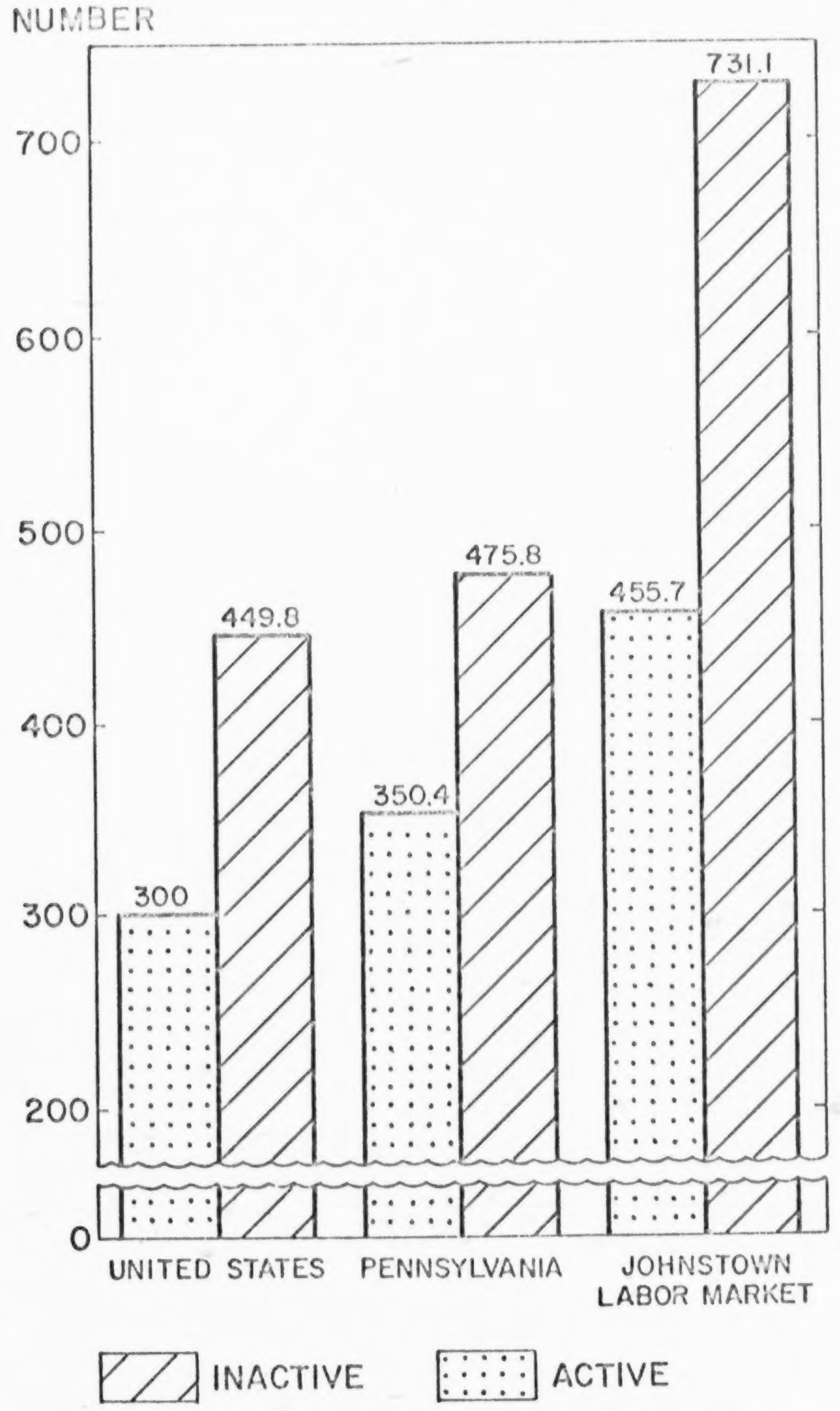
The entire future of vocational-technical training seems rather bright for the Johnstown area. The Vocational-Technical School should be able to provide skills for new industry and the nursing programs seem sufficiently well developed to keep pace with the growing need for health services.

Higher Education

There are three academic institutions of higher learning located within the two-county area comprising the Johnstown Labor Market: St. Francis, Mount Aloysius and the University of Pittsburgh at Johnstown. Similar institutions are found in nearby

FIGURE 12.

NUMBER OF NURSES, ACTIVE AND INACTIVE, PER 100,000 POPULATION: JOHNSTOWN LABOR MARKET AREA, PENNSYLVANIA, AND THE UNITED STATES



SOURCE: UNITED STATES DEPARTMENT OF HEALTH, EDUCATION & WELFARE, HEALTH MANPOWER SOURCE BOOK, PUBLIC HEALTH SERVICE, 1965.

areas which may be considered as a part of the total educational complex for this section of the state.

St. Francis College has been a four-year liberal arts college since 1920. It offers both bachelor's and master's degree programs. In the Fall of 1967 its total enrollment was around 1700 with a full-time faculty of 94 and a part-time faculty of 13.

Mount Aloysius is a two-year junior college located at Cresson. In 1967 it had an enrollment of 540 students. The faculty in 1965 numbered 29 full-time instructors.

Of the three, the school with the most potential is the Johnstown branch of the University of Pittsburgh. At present, there is an enrollment of about 900 full-time students as well as 500 part-time students. The faculty includes 70 full-time faculty and 15 part-time faculty. The possibility for expansion of the college is tremendous. The campus is located on a tract of land which encompasses 456 acres. Present plans are for expansion of the curriculum to a four-year school and an increase of the student body to 2,500 full-time students. According to President Theodore W. Biddle, "the Johnstown area economy will gain nearly $3,000,000 a year from the new college expansion."[11]

Given forward-looking administration and leadership, the present intended expansion should only be the beginning for the school, and the ancillary benefits to the Johnstown area. In the future, there will be an ever-increasing demand for higher education. If the college at Johnstown does not expand to meet this need, other institutions will. But there is no reason why the Johnstown college cannot expand. It has more than sufficient

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11. Automation and Technology, p. 36.

land in a very favorable, picturesque location. Also, it has state-related status which is highly desirable from the aspect of obtaining funds for expansion. This institution and its future possibilities afford the area its brightest prospect for the future in terms of a part of a solid economic foundation; and the area must firm up its economic base.

There is also the Cambria-Rowe Business College located in Johnstown which conducts classes in accounting, typing, medical stenography and secretarial training. Its enrollment averages around 400.

Beginning in September of 1967 The Pennsylvania State University began offering credit courses for teachers in the Johnstown area. The courses are offered in five of the area high schools.

CHAPTER 14

GENERAL INDUSTRIAL AND BUSINESS CHARACTERISTICS

The kinds of human resources in the Johnstown area have been examined, and now the kinds of industrial activity that take place there are to be examined. This chapter outlines the major levels of industrial activity and relates them to industrial activity in the Nation. In Chapters 15, 16, and 17 each level is examined separately.

Three Levels of Activity

The foundation for Johnstown's industrial structure is provided by the extractive industries--agriculture, forestry, and mining. The second level consists of manufacturing and construction. The third level consists of noncommodity or service industries: auxiliary activities that relate to the sale and transportation of goods and commodities, trade, finance, communications, professional services, personal services, and the like. These activities are chiefly the result of growth in the extractive, manufacturing, and construction sectors.

The three sectors behave quite differently during periods of general economic expansion and contraction. Activities of the "heavy industries"--the producers of raw materials and semifinished goods--fluctuate most widely with business cycle changes. Production of finished goods fluctuates somewhat less widely; but output of durable goods (for which purchases can be postponed in hard times and accelerated in good times) fluctuates more than output of nondurable goods (for which time of purchase cannot be so readily adjusted). More stable are such activities as wholesale and retail trade. The interrelationships of the various sectors are complex, as is the relationship of local to national fluctuations in business activity. The basic importance of these fluctuations to the people who live in a particular area lies in the fact that in the short run (that is, within the course of a particular business cycle) the employment of urban workers fluctuates very closely with industrial output, and the fluctuations of such output reflect fairly accurately the ebb and flow of prosperity for the basic producing groups in the area.[1]

The Extractive Industries

These industries of the Johnstown Labor Market Area (Cambria and Somerset Counties) produce, in addition to farm and forest products, mostly clay and bituminous coal. Much of the clay is used for refractories. The deposits lie in Somerset County and in the southern part of Cambria County. Coal for both metallurgical and steam uses is produced from mines scattered widely through the two counties. By any measure, bituminous coal mining is far more important to the area's economy than clay mining, and it is far more important in these counties than it is in many other Pennsylvania counties. A large supply of good metallurgical coal is the principal reason why the steel industry was attracted to Johnstown. Not as much coal is mined now as was

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1. A. H. Hansen, Business Cycles and National Income, W. W. Norton & Company, Inc. (New York, 1951), pp. 21, 22.

mined years ago; nevertheless, in 1966 the value of coal production amounted to about $65 million. In that same year the extractive industries contributed nearly 9 percent of the area's personal income, of which more than 7 percent came from mining and 1.5 percent from farming. This area is 8 times as dependent on mining as a source of earnings as is the Nation, but less than half as dependent on farming.

The Manufacturing and Construction Industries

These industries account for far more output than do the extractive industries. Again, complete figures are not available, but in 1966 the value of production and related activities for the manufacturing industries amounted to some $616.7 million. Much of this represented production of semifinished goods and durable finished goods. These were mainly clay and concrete products; iron and steel; fabricated structural metals; wire products; railroad cars, wheels, and axles; truck bodies; machinery; and instruments. The principal nondurable goods produced in the area were food, apparel, and footwear. The area is one-third more dependent on manufacturing than is the Nation as a source of earnings, and the manufacturing sector is dominated by one industry--basic steel. It is no exaggeration to say that without the steel industry Johnstown would not exist as an industrial center.

In 1966 more than half of the 302 manufacturing establishments were located in Cambria County, and 73 of them were in the City of Johnstown. The Cambria County establishments provided nearly 85 percent of the employment in manufacturing industries. Somerset County manufacturing firms were concentrated in Windber (which is adjacent to the City of Johnstown) and in Somerset. Except for a few manufacturers of apparel and a maker of camping equipment, they were small firms.

Some 35 percent of personal income came from this secondary sector in 1966, nearly 32 percent of it from manufacturing, and 3 percent from construction.

The Noncommodity Sector

This sector, or third level, of the Johnstown area cannot, of course, be measured by value of production; and, indeed, the picture of this part of the economy must be pieced together from more fragmentary information than is available for the primary and secondary sectors. In 1966 the noncommodity group contributed about 37.5 percent of the area's total personal income, distributed approximately as follows: wholesale and retail trade, 11.4 percent; government, 9.3; service trades, 9.1; transportation, communications, and utilities, 5.6; and finance, insurance, and real estate, 2.0 percent. This area is less dependent than the Nation on trade, services, or the finance, insurance, and real estate industries.

How Johnstown Industries React to Shifts in Economic Conditions

Johnstown's local economy is export-based--that is, it produces much more than it can consume locally. It is therefore closely linked to national economic conditions, as is clearly shown by the behavior of local employment during the two most recent recessions.

April 1958 marked the end of the 1957-58 national recession. The effect of this recession on the Johnstown area was to drop the seasonally adjusted index of total employment for this area from 108 in the first half of 1957, just before the downturn, to 95 in the fourth quarter of 1958, when the decline in Johnstown finally stopped some months after national economic activity had turned up.[2] During this recession period there were only small changes in the size of Johnstown's labor force. Thus in 1958 Johnstown had been quite hard-hit by the recession, was slowly starting to recover, and was burdened with a large amount of unemployment.

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[2] Unpublished seasonally adjusted indexes (1957-59 = 100) prepared by the Center for Research of the College of Business Administration, The Pennsylvania State University.

The recession of 1960-61 was a mild one, and by 1962 the national economy was well along in a period of economic expansion. Not so Johnstown: Shortly after that recession ended, the index of total employment for Johnstown stood at only 87, lower than it had been in 1958; and after a rally of a few months it fell back to 88 in the Fall of 1962. This second drop was no doubt associated with the inventory adjustment in steel that occurred in 1962. Another such adjustment occurred in 1963, and not until the third quarter of 1964 did the employment index manage to struggle back up as far as the low point it had reached after the 1957-58 recession. The best that could be said about employment conditions during that period was that the population exodus that occurred between 1959 and 1963 reduced the number of people unemployed in the area, although those that were unemployed still represented a high proportion of the remaining population.

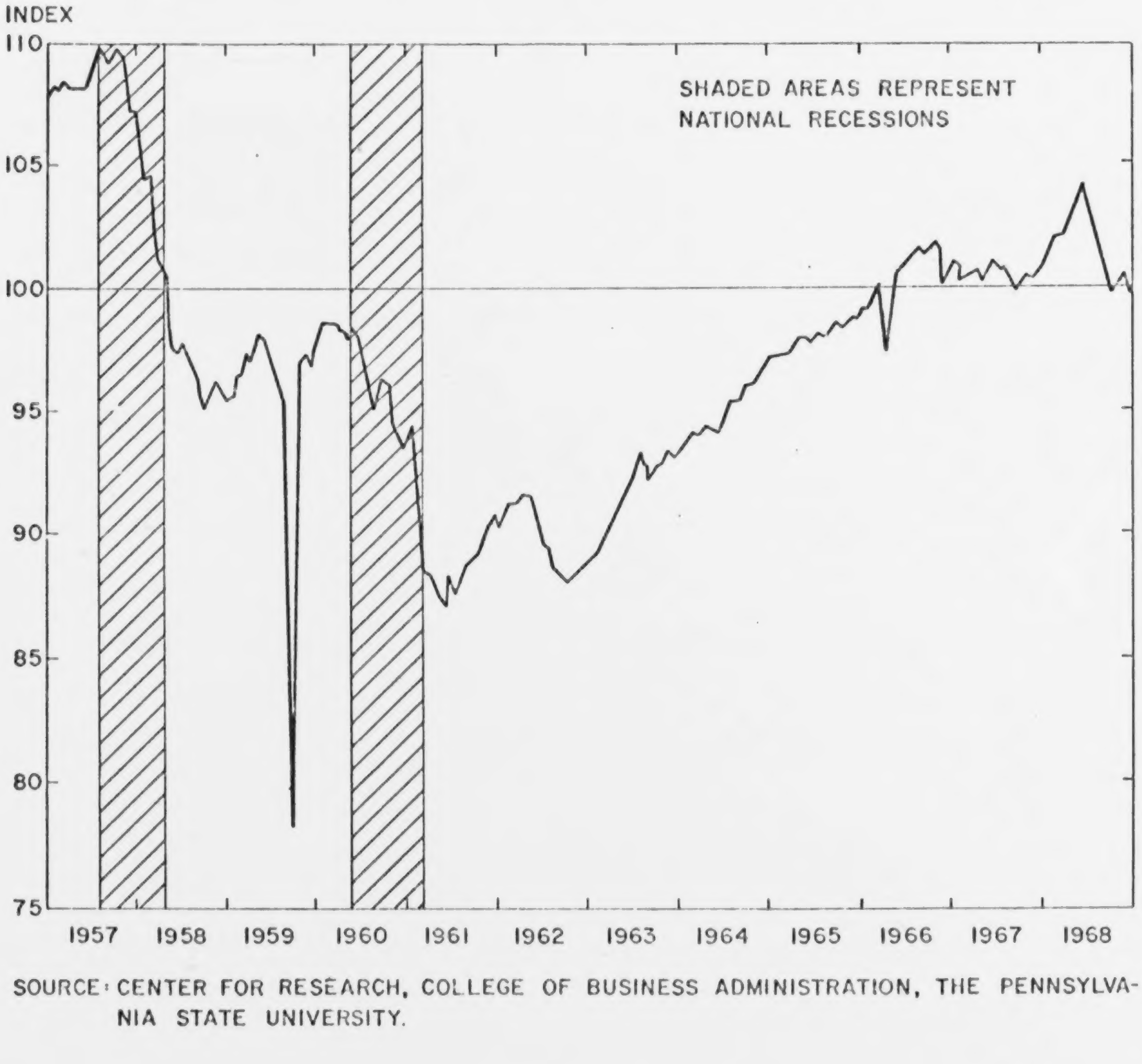
By the end of 1968, after nearly eight years of national expansion, Johnstown's index of total employment stood at 100--just where it had been, on the average, during the years 1957-59 (see Figure 13). Moreover, during this long upswing, when the national economy has expanded more than at any other time in history, it has been the exception rather than the rule for Johnstown's major manufacturing plants to average a production work week of as much as 40 hours.

In the metals industries the week averaged as much or more than 40 hours in only 17 of the past 84 months--and then only under conditions of extreme pressure, as in basic steel ahead of union contract negotiations. This would suggest that the steelmaking facilities at Johnstown have been relatively expensive to operate and have been heavily used only at times when the industry was pushing its capacity limits.

In the area's other leading manufacturing industry, apparel production, employment for all practical purposes is part-time. In only three of the past 84 months has the week averaged as much

FIGURE 13.

MONTHLY INDEXES OF TOTAL EMPLOYMENT
JOHNSTOWN LABOR MARKET AREA (SEASONALLY ADJUSTED; 1957-59=100)



SOURCE: CENTER FOR RESEARCH, COLLEGE OF BUSINESS ADMINISTRATION, THE PENNSYLVANIA STATE UNIVERSITY.

as 36 hours. In eight of those months it fell below 32 hours. This may be a convenience to the women who work in this industry, but it also means that the workers are not bringing home very large paychecks.

Furthermore, the nonmanufacturing industries in this area do not behave cyclically quite as they do in other areas. It has been noted that generally such industries counteract cyclical swings; but in Johnstown some industries (notably coal mining and railroad transportation) tend to reinforce them because they are linked so closely to the steel industry.

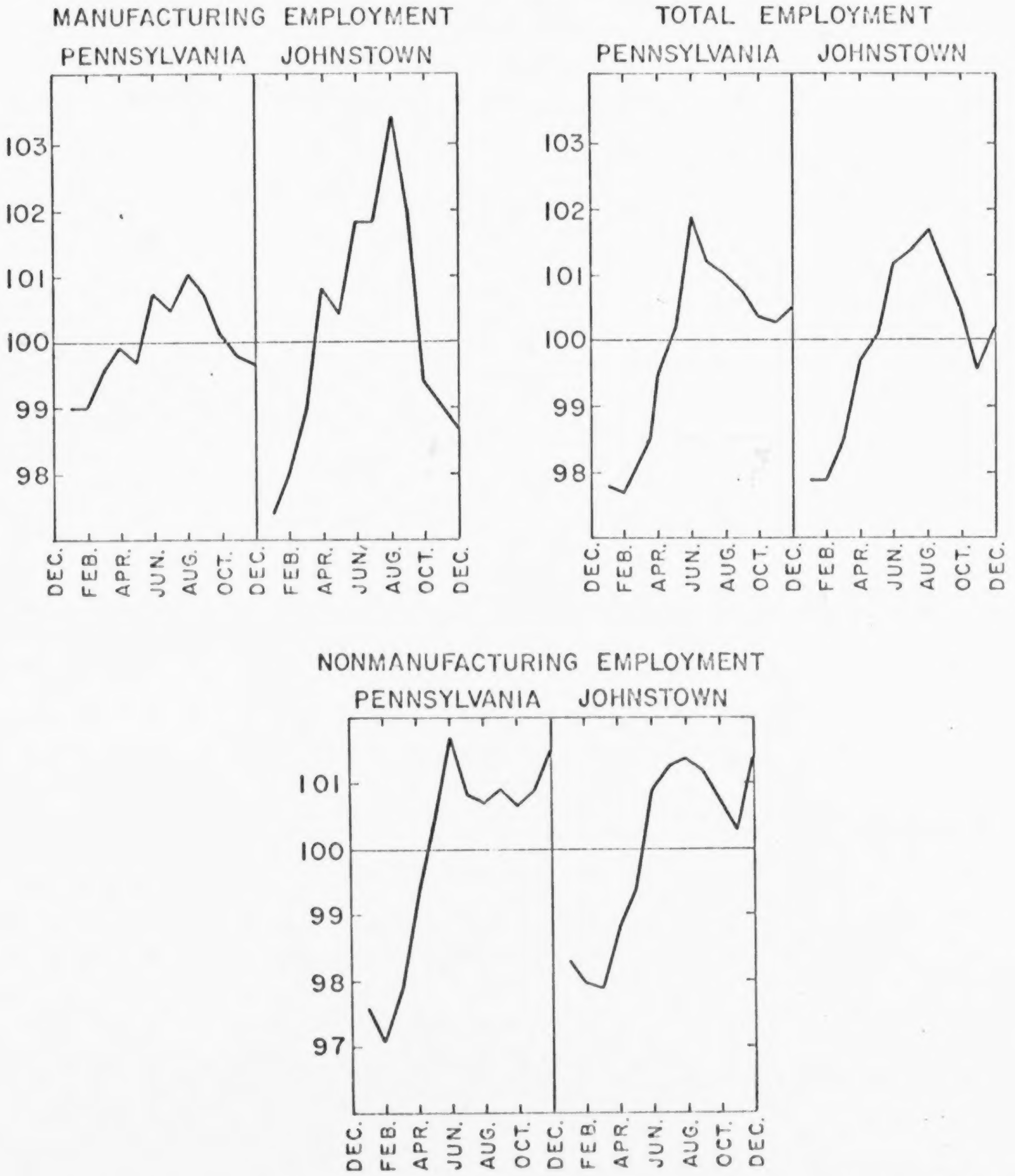
As if this were not enough, some of the industries important to the Johnstown area have a very pronounced seasonal fluctuation. During the course of a year, manufacturing employment in Johnstown can be expected to equal as much as 102.4 percent of employment during an average month or as little as 97.4 percent, depending upon the particular month. The spread is 5 percentage points. In contrast, for manufacturing in Pennsylvania as a whole, the seasonal spread is only 2 percentage points--from 99 to 101. So this part of the Johnstown economy is volatile in terms of seasonality as well as cyclical shifts. The nonmanufacturing industries here are, however, less inclined to fluctuate in employment according to the season than is this same group of industries in the state. The spread is 3.5 percentage points for Johnstown as against 4.6 points for Pennsylvania (see Figure 14).

The Growth Record of Johnstown Industries

The particular industrial mix of the Johnstown area has been found to be sluggish in employment growth. Between 1958 and 1966 the local industries provided less employment growth than these same kinds of industries did in some neighboring

FIGURE 14.

COMPARISON OF TYPICAL EMPLOYMENT SEASONAL FLUCTUATION PATTERNS, JOHNSTOWN LABOR MARKET AREA & PENNSYLVANIA (SEASONAL FACTORS BY MONTH, WITH EACH MONTH SHOWN AS A PERCENTAGE OF AN AVERAGE MONTH DURING THE YEAR.)



SOURCE: CENTER FOR RESEARCH OF THE COLLEGE OF BUSINESS ADMINISTRATION, THE PENNSYLVANIA STATE UNIVERSITY.

areas. By their nature they were not fast-growing, compared to some other kinds of industries; but even so the particular firms in the Johnstown area lacked vigor.[3]

For the manufacturing industries, the experience with the average work week confirms the employment experience.

As for the nonmanufacturing industries, evidence of growth, prosperity, or lack of either is scanty. In 1963 Johnstown had a relatively low per capita volume of retail sales: $979.71, compared with neighboring Altoona's $1,221.34, Scranton's $1,186.70, and higher figures at several other Pennsylvania areas of about the same population size as Johnstown.[4] (In fact the Altoona area is much smaller.) The question of whether Johnstown's per capita figure is lower because the area is less wealthy, or because is hasn't the location to draw outside shoppers, or both, can best be answered by referring to the section of this study dealing with personal income, and by considering the geography of the area.

Certainly the industries that have been entering the Johnstown area in recent years--apparel and shoe manufacturing firms--are traditionally low-paid. It is likely that, confronted with a tight labor market and rising wage rates in other metropolitan locations, they have sought a compromise location that would give them market access and lower labor costs.

Even so, average hourly earnings of factory production workers have been rising--and they have risen faster in the lower-paid nondurable goods industries than in the higher-paid durable goods industries. In the past 7 years they have risen 39 percent in the former (from a low of $1.60 an hour to a high of $2.23) and 18 percent in the latter (from a low of \$3.02 to a high of \$3.56).[5] Part of the former increase must have resulted from a stepping up in minimum wage standards; nevertheless, there have been enough higher-paid jobs to keep the average in Johnstown above the minimum prescribed by the Federal Fair Labor Standards Act both then and now. It may be that wage rates in other areas are rising faster--at least for the present the traditionally lower-paid industries are continuing to enter the local area.

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[3] R. W. Epps, "From Surplus to Shortage," Business Review, Federal Reserve Bank of Philadelphia, July 1967, p. 20.

[4] Calculated from data in the U. S. Department of Commerce, Bureau of Census, 1963 Census of Business: Retail Trade--Pennsylvania, Table 4; and 1960 Census of Population--Pennsylvania: General Characteristics, Table 13.

Johnstown's past and present industrial structure has given it what has been termed a "unique problem" of economic growth--that is, its exceptional dependence on the manufacture of durable goods as a source of employment, with the consequences thereof that have been pointed out above. What was said of Pittsburgh, once the steelmaking capital of the Nation, is even more true of Johnstown:

> The Region has exhibited a marked failure to extend its economic domain much beyond its basic specializations. Metropolitan areas, like Pittsburgh, develop in part as a result of strong natural advantages for particular forms of economic activity but in the main because once they get going they provide a desirable haven for a wide assortment of industries. This process of diversification provides a broad foundation for growth and releases the area from its dependence on natural advantages. In the Pittsburgh Region, the first-stage impetus of natural advantage was quite powerful and propelled the Region into the front ranks of metropolitan areas. But perhaps because the first stage was so powerful, the second stage --diversification--did not develop to its full strength. Now Pittsburgh needs the second stage to maintain growth, but it seems lacking in vigor.[6]

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[5] Pennsylvania Department of Labor & Industry, Bureau of Employment Security, Johnstown Labor Market Letter, monthly issues, 1962-1968.

[6] Pittsburgh Regional Planning Association, Economic Study of the Pittsburgh Region: Region in Transition (Pittsburgh: University of Pittsburgh Press, 1963), p. 421.

The authors of this assessment point out that the basic natural advantage industries have an inhibiting effect on diversification for the following reasons: (1) the kinds of labor relations and labor supply that developed around basic industries are not quite so favorable to diversification as they are elsewhere; and (2) indirectly the very bigness of the dominant plants has stunted the growth of independent suppliers of goods and services who cater to small establishments breaking into new industries. In addition, pollution of air and water has surely been a deterrent to broadening the industrial complex. This evaluation is just as true for Johnstown as for Pittsburgh.

Johnstown has an additional deterrent to growth that Pittsburgh does not have. Just because Pittsburgh is a large industrial area, it can support a wide variety of such services as custom tool and die shops, business consultants, freight forwarders, testing laboratories, and the like. This type of advantage Johnstown cannot hope to supply. Only as the transportation and communication links become more efficient and faster between the small and the large area can Johnstown firms take advantage of these services.

Changing Patterns in U. S. Economic Activity

The composition and character of U. S. economic activity have changed: Direct physical labor has been displaced by brainwork; natural resources have diminished in importance as a locational factor; management has greater freedom to select locations for firms on the basis of market contact, supplies of high-grade labor, and a wide range of environmental factors. A "massive reorientation" of human and material resources has been prescribed to improve the economic health of Pittsburgh--a reorientation made necessary by these changing conditions.[7] The resources of the

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[7] Pittsburgh Regional Planning Association, op. cit., p. 9.

Johnstown area, like those of Pittsburgh, need to be evaluated against these changing patterns of national activity.

Evaluating Johnstown's Economic Performance

In the discussion that follows, the major industry groups in the Johnstown area will be examined in turn in the light of the general conditions that have been described above. The condition and prospects of the bituminous coal mining industry and of those industries that produce metals and metal products will be examined in more detail than will the other business activities of the area because they are so basic to the Johnstown economy. An effort will be made to determine how important the contribution of each industry group is to Johnstown's economy now and how important it can be expected to become in the years ahead. The focus will be not on how important the industries are of themselves, but on what they can do for the people who live in the Johnstown area.

An effort will also be made to point out and evaluate the potential of certain groups of industries that show promise of providing jobs and raising the income level of the Johnstown area in the future. There are in the community representatives of manufacturing industries that have been growth pace-setters nationally in American industry during the past ten years, industries for which there is no reason to think that growth will stop.[8] They include such firms as those that make surgical and medical equipment and computer support equipment. There are also in the community nonmanufacturing industries that should become more important in the future than they have been in the past, and that promise to contribute that greatly needed quality of stability to Johnstown's economy. These industries include medical and health services. Finally, there is potential in the area that has not yet been fully exploited--notably the recreation potential. The rugged terrain that in some respects has been a liability in the past has become a valuable asset in view of the metropolitan development that has occurred on either side of it.

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[8] U. S. Department of Commerce, Business and Defense Services Administration, Growth Pace Setters in American Industry, 1958-1968 (1968).

Estimates have been prepared of the job potential in the Johnstown area for each significant group of industries and are mentioned in the discussion of each industry group. The employment projections have been made for the year 1975, but where appropriate a longer look into the future has been taken. A complete description of the estimating procedure may be found in the appendix. Briefly, the procedure makes use of national employment projections made by the Bureau of Labor Statistics of the U. S. Department of Labor, and it is assumed that a relationship exists between Johnstown employment and national employment within each particular industry category. Trend lines have been fitted to the ratios of Johnstown labor market area industry employment to national industry employment. Finally an effort has been made to adjust the figures that resulted from these calculations by reference to the condition and prospects of each industry both nationally and locally.

The procedure is, of course, based upon rather arbitrary assumptions. Moreover, the reader should bear in mind that the data used for the projections differ in some important respects from other data used to describe the various industries in the discussion that follows. These discrepancies are unavoidable. Various agencies gather various data for specific purposes of their own, and they are not necessarily concerned with comparability with other sources. For example, the Bureau of Labor Statistics gathers data on employees covered by unemployment compensation laws. Another source used frequently in the following discussion is County Business Patterns, which reports employment of those covered by the Old Age, Survivors', and

Disability Insurance Program of the Federal Government. The justification for using a wide variety of sources to describe a given industry is that the practice permits construction of a much better picture of the industry than would the use of one source alone. However, the picture and the employment projection must both be regarded as approximations of actual conditions in the industry.

The basis of Johnstown's future lies in the behavior of its resident industry. The type of industry and its changing technological requirements will dictate the types of skills required. The growth and type of industry will dictate the amount of employment. The amount of employment will in large measure determine the size of the population, as already discussed, as well as the material well-being of that population. In other words, the economic and social viability of Johnstown depends upon the future of its industrial structure.

Between 1967 and 1975 total employment in the two-county area comprising the Johnstown Labor Market Area is expected to increase from 79,000 to well over 91,000, an increase of 15.7 percent. The bulk of this increase is expected to come from outside the dominant manufacturing industries. The increasing demand for services and governmental functions is expected to provide over 3,000 new jobs or better than 25 percent of the total increase in employment demand. The trade sector should provide for 1,000 new jobs, or 1/6 of the total increase. If these categories are combined with construction and transportation then it is seen that these industries account for over 2/3 of the expected total increase in demand for workers.

In other words, a slight diminishing of the dominance of the manufacturing sector in general, and metals in particular, is expected in the future. In 1967 manufacturing accounted for over 32 percent of total employment in the area; this is expected to decrease to 30 percent by 1975. This will be due primarily to a decline of the share of the metals industry from 17.7 percent of the total to 15.3 percent of the total.

CHAPTER 15

EXTRACTIVE INDUSTRIES: TRENDS AND OUTLOOK

Agriculture

Agricultural activities contributed more than $25 million in cash receipts to Johnstown area farms in 1965. Of this amount, nearly $650,000 was in Government payments, but the rest represented receipts for crops and livestock. Agricultural activities contributed in 1968 an estimated monthly average of 2,800 jobs, not counting those farmers who were self-employed.

Milk production is the largest agricultural activity by far, although meat and poultry products and egg production are also important. Much of the agricultural activity is concentrated in Somerset County. Here, too, is concentrated production of a specialty of the area, maple syrup. Although not nearly so important a cash crop as the products previously mentioned, the maple syrup industry is the basis for a midwinter festival in Somerset County that stimulates related recreational business activities.

Employment in agriculture in the Johnstown area has declined only slightly since 1960, although nationally the employment trend in this industry has been steadily downward for a long time. It seems reasonable to expect further decline in employment in this industry in the Johnstown area in the years immediately ahead--especially since the drought conditions in Pennsylvania in recent years have hit dairy farms quite hard--and no more than 2,600 jobs are foreseen for this industry by 1975.

The Bituminous Coal Industry

Production and Reserves

Cambria County and Somerset County lie in the upper end of the great Appalachian bituminous coal fields--the area that enabled Pennsylvania to contribute more than a quarter of all U. S. production between 1759 and 1966; and these two counties themselves have supplied perhaps 5 percent of the U. S. total.[1] Neither county produces as much coal as it did years ago. Soft coal lost markets to competing fuels; and industrial development elsewhere in the Nation encouraged the development of mines in other states. There are other reasons for reduced coal output; nevertheless the Johnstown labor market area is still important as a coal-producing area. In Cambria County, usually 5 million tons a year or more are mined. Somerset's annual production is less, but the county depends heavily on coal wages and salaries as a contribution to total payroll.[2]

Somerset County has still in place perhaps 80 percent of its original reserves, and Cambria County more than 60 percent. At a recovery rate of 50 percent, this means more than 4 billion tons are recoverable--1.7 in Cambria and 2.6 in Somerset.[3] It

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1. U. S. Department of the Interior, Bureau of Mines, Minerals Yearbook, Vol. II, Fuels. 1960 ed., Coal-Bituminous and Lignite, Table 11; 1966 ed., do., Table 9.

2. J. J. Schanz, Jr., and G. H. K. Schenck, "The Place of Coal in Contemporary Pennsylvania, "Earth and Mineral Sciences," Vol. 38, No. 1, Oct. 1968, pp. 2,3.

3. J. J. Schanz, Jr., Historical Statistics of Pennsylvania's Mineral Industries, 1956-1960, College of Mineral Industries, The Pennsylvania State University (1963), Table 14.

is good coal, too. A sampling of reserves made about 15 years ago indicates that in both counties the remaining deposits are high in heat value, dry, and low in sulfur content. Cambria County's is also low in ash content (under 6 percent); but much of Somerset's is higher.[4]

Mines and Mining Methods

Somerset County now gets about two-thirds of its output from strip mining--a highly productive methods which, with auger mining, is growing in importance nationally. In 1966 stripping accounted for 2,746,663 net tons of Somerset's total production of 4,128,705 net tons. Cambria County's mines are predominantly underground (as are the mines of southwestern Pennsylvania and West Virginia generally). In 1966, Cambria's production from underground mines was 7,083,489 net tons out of a total of 8,109,692 net tons.[5] Table 13 shows the heavy dependence of these areas on underground mines.

The mines have been extensively mechnaized for some years. The five-step "conventional" technique and the continuous mining machine have been used mostly; but the longwall mining machine is being used increasingly now. This machine planes a working face several hundred feet long, drops loosened coal onto a conveyor, and supports the roof with self-advancing jacks. Stripping is, of course, a highly mechanized operation.[6]

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4. G. F. Deasy and P. R. Griess, Atlas of Pennsylvania Coal and Coal Mining, Part I, Bituminous Coal, College of Mineral Industries, The Pennsylvania State University (1959). See especially pp. 8,9; 15-22; 38, 39 for characteristics of the coal and the formations in Cambria and Somerset Counties.

5. Minerals Yearbook, Vol. II, Fuels. 1966 ed. Coal-Bituminous and Lignite, Tables 26,34, 53.

6. Minerals Yearbook, Vol. III, Area Reports. 1960 ed., pp. 849, 871. For a general description of types of mines and mining methods, see: National Coal Association, Bituminous Coal Facts, 1966, section on production.

TABLE 13

PERCENTAGES OF BITUMINOUS COAL OUTPUT BY TYPE OF MINE: JOHNSTOWN AND SELECTED OTHER AREAS 1960 AND 1966

Percentages of Total Production in the Area

	Underground		Strip		Auger	
Area	1960	1966	1960	1966	1960	1966
United States	68.6	63.4	29.5	33.7	1.9	2.9
Ohio	27.1	30.2	70.3	65.8	2.6	4.0
West Virginia	91.8	88.5	5.7	8.2	2.5	3.3
Pennsylvania	67.4	68.6	31.9	30.5	0.7	0.9
Cambria Co.	92.4	87.3	7.5	11.9	0.1^e	0.8
Somerset Co.	43.8	32.6	56.1	67.4	0.1^e	W

Total production = 100.0 percent for each area in each year.

W = Withheld to avoid disclosure of confidential data.

e = estimated.

Source: U. S. Department of the Interior, Bureau of Mines, Minerals Yearbook, Vol. II, Fuels, 1960 ed., Coal, Bituminous and Lignite, Table 15. 1966 ed., Coal Bituminous and Lignite, Table 26, 34,53. Percentaged calculated.

Competitive Position

The type of mining practiced is very important in determining mine prices of coal. Where stripping is significant, coal is relatively cheap because tonnages mined per man per day are large. With deep mining, coal is expensive because output per man per day is smaller.[7] Table 14 shows the average value per ton, f.o.b. mines, of coal produced in the Johnstown area and in certain other areas for two years, 1960 and 1966. Mine value takes account of three factors: B.T.U. content of the coal; expenses of mining and processing; and profits of mining and processing.

TABLE 14

AVERAGE VALUE PER TON, F.O.B. MINES, OF BITUMINOUS COAL PRODUCED IN THE JOHNSTOWN AREA AND SELECTED OTHER AREAS, BY TYPE OF OUTPUT 1960 AND 1966

Area	Underground mine output only, 1966[a]	Strip mine output only, 1966[a]	Total Output 1960	Total Output 1966
United States[b]	$5.05	$3.64	$4.69	$4.54
Ohio	4.39	3.54	3.85	3.79
West Virginia	5.18	3.83	5.02	5.04
Pennsylvania	5.91	3.72	5.29	5.22
Cambria County	n.a.	n.a.	6.07	5.80
Somerset County	n.a.	n.a.	4.06	4.33

[a] Data not available for 1960.

[b] Includes lignite.

n.a. = not available.

Source: U. S. Department of the Interior, Bureau of Mines, Minerals Yearbook, Vol. II, Fuels. 1966 ed., Coal, Bituminous and Lignite, Tables 53 and 64.

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[7] G. F. Deasy and P. R. Griess, Fuel Competition in Pennsylvania's Electric Generating Industry, Pennsylvania Department of Internal Affairs, Topographic and Geologic Survey Bulletin M 44 (1961), p. 16.

Clearly Cambria County's average value is higher than that of the other areas. It is even higher than the averages for underground mines only, except for that of Pennsylvania. Although comparisons of data for Somerset County are not quite so clear, the figures suggest that strip mine production for that county is not far out of line in value with averages for the other areas.

There is some evidence that the entire southwestern Pennsylvania coal-producing area was in an unfavorable position with respect to costs as recently as 1966. Mechanization may or may not reduce unit costs. It may merely substitute nonlabor for labor costs; and indeed a larger investment in mechnaical equipment per ton has been advanced as one possible reason for the lower productivity of mines in this whole area.[8] Costs may also reflect depletion of the best and most accessible reserves. In general, seams less than four feet thick present a definite cost handicap--and the reserves of the Johnstown area are mostly between 2 and 4 feet thick.

There is also some evidence that in the past the Johnstown area was at a disadvantage with respect to delivered costs.[9] West Virginia was able to invade the utilities market in Pennsylvania, even including the coal-producing territory of southwestern Pennsylvania. The reasons: coal seams nearly twice as thick, and a low rate for river transportation. These were enough to overcome the disadvantage of greater distance from the market. There were some who claimed also that West Virginia coal enjoyed a more favorable rail-freight-rate structure than did Pennsylvania coal.

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[8] The Pittsburgh Regional Planning Association, op. cit., p. 239.

[9] Deasy and Griess, Fuel Competition, op. cit., pp. 13-30.

All in all, it would appear that Pennsylvania's soft coal producing area, including the Johnstown area, has not had the most advantageous operating conditions.

Mining Employment

It is hardly surprising therefore that, with these conditions and a changing technology, coal mining has been a poor source of employment for Johnstown area residents for several years. During the Korean conflict, average monthly mining employment for the year in coal and other types of mining in the area was more than 20,000 men and it accounted for more than 20 percent of total employment in the labor market area. A decline in mining employment began in 1952, continued through the 1960-61 national economic recession and through the 1962-63 dip that was associated with a slump in steel demand, and did not level off until 1964. Since that time the mines in the two counties have averaged between 4,600 and 5,100 jobs per month per year. In 1968 they accounted for 5.2 percent of estimated monthly average employment for that year (see Figure 15).[10]

Moreover, the manpower requirements of coal mining have changed. The types of workers needed to maintain increasingly complex coal production equipment are in short supply nationally, and whether or not the demand can be met will depend upon how soon and how successfully skills of present workers can be upgraded and new mechanics and electricians can be trained.[11]

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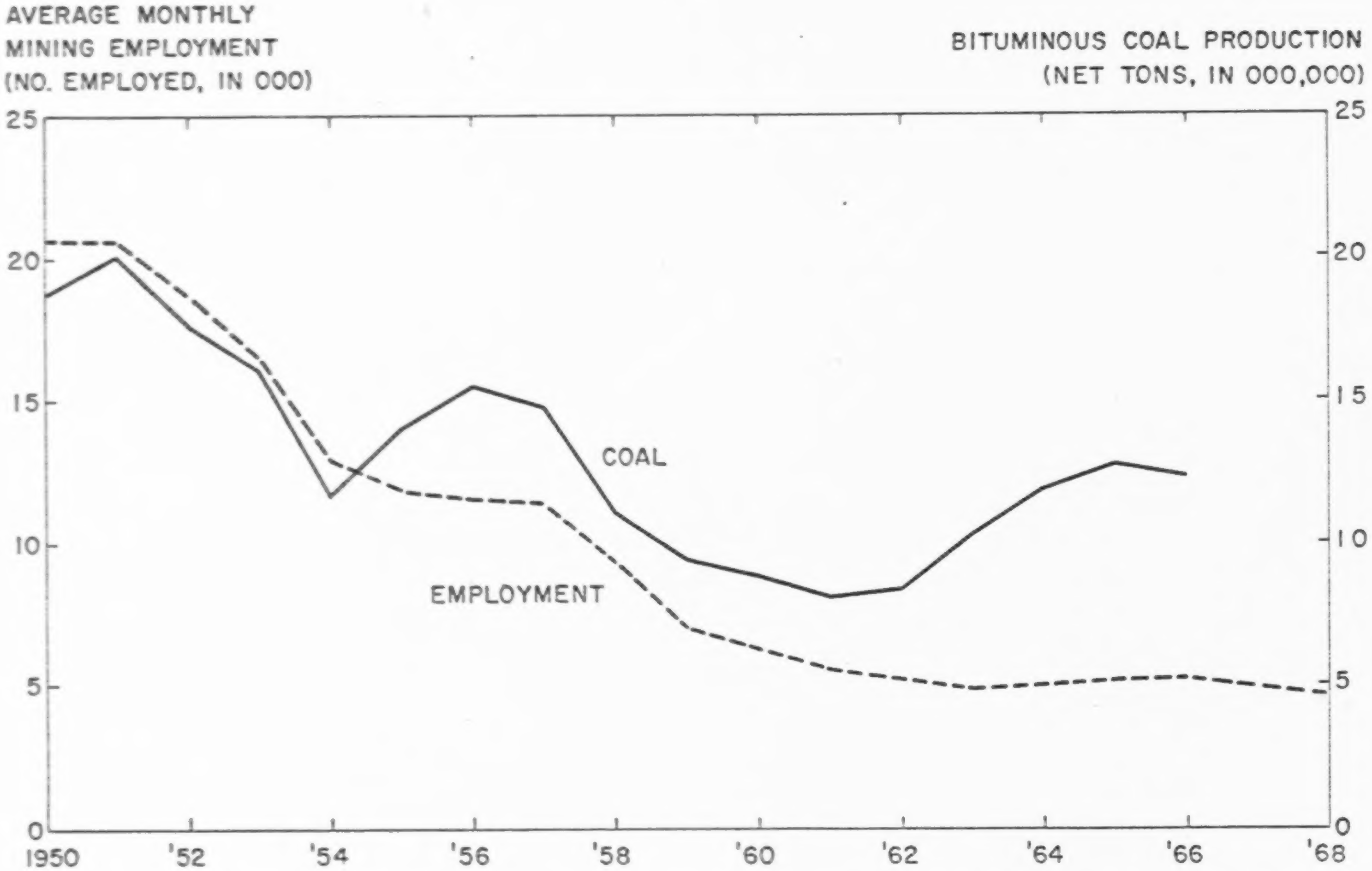
10. Pa. Department of Labor & Industry, Bureau of Employment Security, Total Civilian Work Force, Unemployment, and Employment by Industry: Annual Average, 1950-1967 (4/68); Johnstown Labor Market Letter, Jan.-Dec. 1968.

11. Minerals Yearbook, Vol. I-II, Metals, Minerals, and Fuels. 1967 ed. Preprint: Coal-Bituminous and Lignite, p. 7.

FIGURE 15.

TRENDS IN MINING EMPLOYMENT AND COAL PRODUCTION
JOHNSTOWN LABOR MARKET AREA, 1950-1968



SOURCES: U.S. DEPT. OF THE INTERIOR, BUREAU OF MINES, MINERALS YEARBOOK; PA. DEPT. OF LABOR & IND., BUREAU OF EMP. SEC., TOTAL CIVILIAN WORK FORCE, ETC. BY INDUSTRY (4/68).

It is hardly surprising either to find that, given local conditions, during the recession year of 1960, Johnstown area mines worked fewer days, on the average, than did mines elsewhere. This is shown in Table 15.

TABLE 15

AVERAGE NUMBER OF DAYS WORKED, 1960 AND 1966, ALL BITUMINOUS COAL MINES, JOHNSTOWN AND SELECTED OTHER AREAS

Area	1960	1966
United States	191	219
Ohio	213	237
West Virginia	193	214
Pennsylvania	188	231
Cambria County	174	237
Somerset County	163	210

Source: U. S. Department of the Interior, Bureau of Mines, Minerals Yearbook, Vol. II, Fuels. 1960 ed., Coal-Bituminous and Lignite, Table 57. 1966 ed., Tables 10 and 53.

The Market Outlook

Past markets for Pennsylvania soft coal have been manufacturing industries (especially steel), railroads, and those electric utilities that could be reached competitively. Some coal has gone overseas, since American coal can be produced at prices very attractive abroad. However, the foreign market is subject as much if not more to political policies as to economic advantage, and domestic markets have changed and are changing. The most important now is the market for steam coal--used to generate electricity.

The Pennsylvania coal fields--and Johnstown--lie in the midst of the Nation's two regions that are most important for energy purposes.[12] The East Coast region has 39 percent of the U. S. population and uses 32 percent of all energy consumed in the Nation; the North Central region has 33 percent of the population and uses 35 percent of the energy (see Figure 16). These are also the largest energy deficit areas, for they produce no more than half of their present requirements.

Coal is more competitive with other energy sources in these regions than it is nationally; but even here, two-thirds of the present needs are being supplied by oil and gas.

By far the most rapidly expanding of all energy market sectors is the utilities sector, and by 1980 this sector is expected to nearly triple in the East Coast region and to more than double in the North Central region. Coal is expected to supply more than half of the additional energy requirements in the North Central region; but in the East Coast region nuclear energy is expected to supply all but a very small portion of growth requirements. Here coal will do well to hold its present utilities market.

The industrial-commercial sector of the energy market is expected to grow more slowly than the utilities market. The expected increase in demand in the East Coast and North Central regions is shown in Figure 16. The figure shows plainly that coal is expected to account for very little of this growth. A major reason is that oil has characteristics and a flexibility that make it the preferred raw material for producing chemical products--a large part of the industrial-commercial market.

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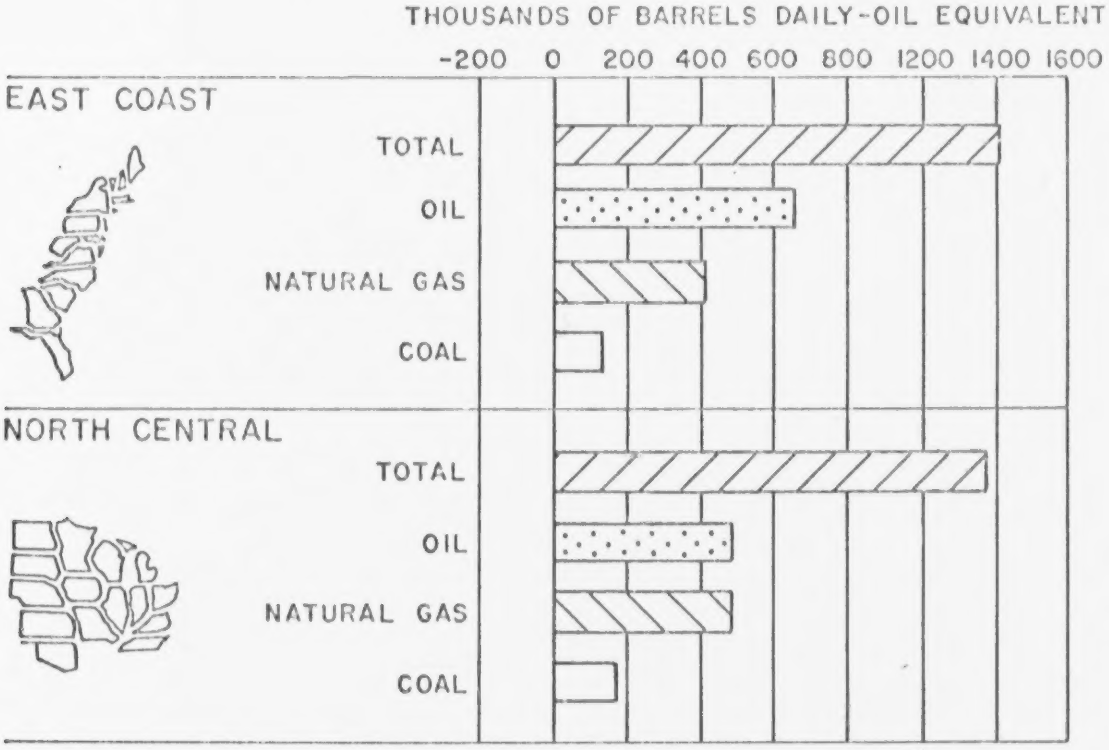
[12] The ensuing description of the outlook for various energy markets is based primarily on: J. G. Winger *et al.*, *Outlook for Energy in the United States*, Energy Division, The Chase Manhattan Bank, N. A., New York, October 1968, 60 pp.

FIGURE 16.

ENERGY MARKET GROWTH, 1965-1980, CENTRAL AND EASTERN UNITED STATES, BY ENERGY SOURCE (INDUSTRIAL-COMMERCIAL MARKETS)



SOURCE: THE CHASE MANHATTAN BANK, N.A.

Expansion of the use of nuclear energy is presently being hampered in several ways. Under present accounting standards, companies have to classify nuclear fuel as a current asset, which hinders securing long-term financing.[13] Supplies of uranium "yellowcake" are limited and it is now known how much more can be produced or what it will cost. If nuclear fuel is scarce, utilities will have to use an alternate source of energy, and coal would be a logical choice.

Not much growth is expected in the market for high-quality metallurgical coal between now and 1980.[14] This is the quality used by the steel industry for coking purposes.

The next 10 or 15 years should see new markets opening up for coal. An appreciable amount of pipeline gas and liquid fuel should be made from coal by that time.[15] By 1980 coal mines may be centers of industrial complexes built on coal. Their products may include jet fuel, diesel fuel, furnace oil, premium boiler fuel, acetylene for plastics and the plastic products themselves, alumina recovered from coal refuse piles, brines for making chlorine, and the chlorine products also. The complex would include refineries, power generating stations, chemical plants, aluminum producers, and by-product processors. Additional products could be made by combining coal products with timber resources.

These product developments are considered eminently suitable for the Appalachian coal fields, and there seems to be little reason, from the point of view of coal resources only, why Johnstown should not share in them.

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13. "Utilities' Embrace of Nuclear Fuel Stalled by Its Classification as a Current Asset," Wall Street Journal, Nov. 12, 1968, p. 4.

14. Minerals Yearbook. 1967 ed., loc. cit., p. 2.

15. G. Fumich, Jr., "Coal's Future as an Industry," Appalachia, Vol. 1, No. 6, March 1968, p. 9.

Coal Industry Developments Near Johnstown

The new coal-cleaning plant built in Cambria County by Bethlehem Steel Corporation demonstrates Johnstown's ability to supply coal for metallurgical use. This plant serves captive mines of the Corporation and provides coal for other Bethlehem plants in the northeastern states as well as for Bethlehem's Johnstown plant.[16] Independent mines also produce some metallurgical coal here.

The erection of mine-mouth generating stations that use steam coal to produce electricity is the development that is most affecting this industry locally. One of Johnstown's major employers, the Pennsylvania Electric Company, in 1959 inaugurated a coal-by-wire program called "Coaltricity,"--an intensive advertising program to explain how the use of coal could be increased by using electricity to heat, to cool, and to operate machinery and appliances. At the same time the Company built a mine-mouth generating station at Shawville, in the Clearfield County strip mine fields, that served the Company's "kilowatt turnpike" running from Erie to Asbury Park, New Jersey. This 230,000-volt line was the only one of its size in the country at that time, but Penelec was also experimenting with much higher voltages, and was participating in the building of a nuclear research reactor at Saxton. Also in 1959 Penelec began a long-range improvement program that called for expenditures in the 1960-70 decade that would top the $280 million spent in the 1950-60 decade.[17]

Since that time, other mine-mouth generating stations have been built or are being built close to the Johnstown area. There are the Keystone Electric Generating Station at Shelocta,

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16. Bethlehem Steel Corporation, Cambria Coal Cleaning Plant, Booklet 2202-658.

17. Pennsylvania Business Survey, July 1960, p. 2.

in Indiana County, and its twin, the Conemaugh Steam Electric Station at New Florence, in Westmoreland County. Both are being built by a group of eastern utilities. The first unit of the Keystone station began operation in 1967 and the second in 1968. Penelec is operating the Keystone station although the company is not an owner. The first unit of the Conemaugh Station is expected to start operating in 1970 and the second in 1971. Another station, the Homer City Electric Generating Station in Indiana County, is being built by Penelec and the New York State Electric & Gas Corporation. It is expected to state partial operation in 1969. Another is planned at Seward in Westmoreland County.

Extensive development of mines near these stations has taken place and is taking place. For example, the North American Coal Corporation early in 1968 announced a multimillion dollar mine development program in conjunction with the Conemaugh and Homer city projects. NACCO is committed to supplying up to 5 million tons a year to the Conemaugh project and up to 1.8 million tons to the Homer City project. The Rochester & Pittsburgh Coal Co. is developing a large mine complex to supply both the Homer City and the Keystone stations. There are some other developments also.

In some instances, economic factors demand that new coal-fired electric utility plants be located at the load center or an intermediate point rather than at the coal production site. Johnstown mine operators have lately found it feasible to compete in this part of the steam coal market also. One of the largest coal companies in the Nation, Cambria County's own Barnes & Tucker Co., is developing mines primarily to fill a 50-million-ton order placed in 1967 by the Pennsylvania Power & Light Co. at Allentown in eastern Pennsylvania. One mine, the Lancashire No. 26, which was begun in 1968 and formally opened in February 1969, is expected to build up to production of 4-5 million tons a year. Two other mines opened by this company in 1967 reached full production in

1968. Barnes & Tucker uses the longwall mining machine in all mines and extended the system in 1968.[18]

The Outlook for Coal Mining Employment

The Barnes & Tucker mines are located within the customary worker commuting area of the Johnstown labor market. The mine-mouth generating stations lie outside of it. To what extent Johnstown area residents can meet the employment needs for these operations, or whether these developments mean "place prosperity" instead of "people prosperity" for the local economy remains to be seen. Barnes & Tucker in 1968 employed about 840 men, and announced plans to hire 600 more in the next few years.

However, no evidence of mining employment growth had appeared by the end of 1968. Monthly average employment for that year amounted to 4,600 persons in all forms of mining. This was the lowest average in nearly 30 years.[19] Total wages paid in all parts of the mining industry remained stable between the first quarter of 1960 and the first quarter of 1968, as a decline in the amount paid in Cambria County was offset by an increase in Somerset County.[20] The direct contribution made by the mining industry to the economy of the Johnstown labor market area during the past few years has been fewer jobs and no greater payroll, whatever the demand for coal, clay, or other output, or the expenditures and revenues of the mining industry.

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[18] Industrial Review & Forecast, The Tribune-Democrat, Johnstown, Pa., Jan. 26, 1968.

[19] Pennsylvania Department of Labor & Industry, Bureau of Employment Security, *op. cit.*

[20] Pennsylvania Department of Labor & Industry, Bureau of Employment Security, unpublished quarterly payroll reports, first quarter of 1960 and 1968 for Cambria and Somerset Counties.

Nationally, the expectation is that the demand for coal will increase, but not so rapidly as does output per manhour. Since the Johnstown area mines are already heavily mechanized, it is not likely that further technological advances will displace labor extensively in the future, although they can be expected to have some effect. By 1975 it is anticipated that locally some 4,800 workers will be employed in this industry.

Indirectly, however, the coal resources of the Johnstown area may very well create a whole new industrial complex supporting a wide range of jobs in the years beyond 1975. Local planners need to keep alert to research developments in the industry and to take advantage of them in directing efforts to attract new industry.

CHAPTER 16

MANUFACTURING INDUSTRIES: TRENDS AND OUTLOOK

Steel and Metal Products Industries

Metal Industries and the Local Economy

More than one-fourth of all wages and salaries paid, as well as nearly one-fifth of total personal income received in the Johnstown labor market area,[1] comes from the local companies that produce metals, metal products, machinery and transportation equipment.[2] In 1966, these groups also provided one-fifth of monthly average employment--some 17,000 jobs out of 86,300.[3] How these jobs were distributed among the five groups is shown in Table 16. Clearly two groups are the most important to the area as suppliers of jobs--the firms that produce primary metals and those that produce transportation equipment.

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[1] These manufacturerers have classified for statistical purposes by the U. S. Bureau of the Budget into the following five industry groups: Primary metals (SIC code 33); fabricated metal products except ordnance, machinery, and transportation equipment (SIC code 34); machinery, except electrical (SIC code 35); electrical machinery, equipment, and supplies (SIC code 36); and transportation equipment (SIC code 37). See: Executive Office of the President, Bureau of the Budget, Standard Industrial Classification Manual, 1967.

[2] Estimates of wage and salary payments by the various industry groups were made by multiplying by 4 the total payroll for each group reported for the first quarter of 1966 to the Pennsylvania Bureau of Employment Security. Total wage and salary payments and personal income for the Johnstown area for 1966 were reported in the following article: R. E. Graham, Jr., and E. J. Coleman, "Metropolitan Area Incomes, 1929-66," Survey of Current Business, Aug. 1968, Table 2.

TABLE 16

DISTRIBUTION OF METAL AND METAL PRODUCTS INDUSTRIES OF THE JOHNSTOWN AREA BY NUMBER OF ESTABLISHMENTS AND EMPLOYMENT, 1966

Industry group	No. of establishments	No. of employees
Primary metals	5	13,557
Fabricated metal products (except ordnance, machinery and transportation equipment)	20	398
Machinery, except electrical	21	445
Electrical machinery, equipment and supplies	8	128
Transportation equipment	7	2,607
Total	61	17,135

Source: Categories summed from data for Cambria and Somerset counties in 1968 Industrial Directory of the Commonwealth of Pennsylvania, 18th ed., Pennsylvania Department of Internal Affairs (1968).

The metal industries that in 1966 reported monthly average employment of 17,000 have fluctuated over the years since 1950 from an employment high of 21,000 in 1957 to a low of 12,800 in 1961 and 1962. In 1960, the year that saw the onset of the last national recession, an average of 17,600 employees was reported for them. By 1967 it had declined about 7 percent, to 16,300; and in 1968 the average dropped a little lower, to 16,100.

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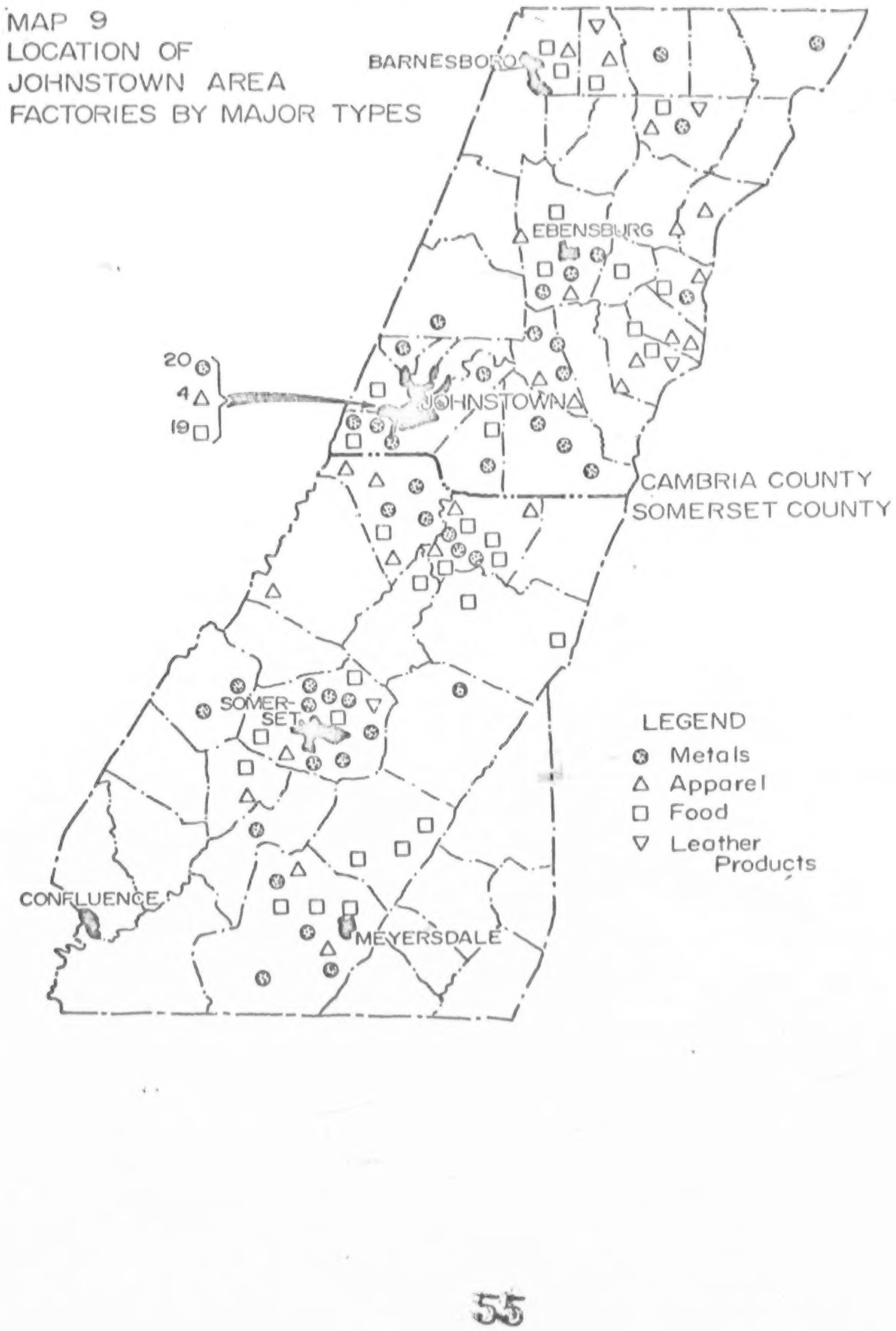
[3] Pennsylvania Department of Labor & Industry, Bureau of Employment Security, Total Civilian Work Force, etc.

From 1960 to 1968, estimated annual payroll declined about 6 percent, from $123.0 million to $116.0 million. However, employment and payrolls within the aggregates developed somewhat differently.

Following the 1961-62 low point in employment, there was a four-year period of rapid expansion in metal industry employment in the Johnstown area. In fact, during that period monthly average employment enlarged by about one-third (4,200 employees) and layoffs since 1966 have been comparatively few. Moreover, during the 1962-1966 period, the wage and salary payroll for the group increased about one-fifth; and in 1967 it also increased despite the slight dropping off of employment. During that same period, other sectors of the Johnstown economy were expanding too. The payroll for the metal industries therefore did not constitute quite so large a share of total payroll in 1966 as it had in 1962.

The contribution made to total payroll by each of the five industry groups has changed too. There have been extremely good and consistent payroll gains for the machinery components, both electrical and nonelectrical (SIC codes 35 and 36). As for primary metals (SIC code 33) and transportation equipment (SIC code 37), both showed shrinkage between 1960 and 1968, but both expanded substantially between the low years (1961 and 1962) and 1968.

The metal industry groups that are most important as suppliers of area jobs--primary metals and transportation equipment--are both dominated overwhelmingly by one company: Bethlehem Steel Corporation. Although the United States Steel Corporation is also represented in Johnstown, it provides far fewer jobs here. In 1966, Bethlehem Steel accounted for 11,644 of the 13,557 employees reported to be employed in primary metal producing firms and for 2,121 of the 2,607 employees reported for transportation equipment. Together, the steel plant and railroad car shops of this one company accounted for 13,765 employees, or 80 percent,



MAP 9
LOCATION OF
JOHNSTOWN AREA
FACTORIES BY MAJOR TYPES

BARNESBORO
EBENSBURG
20 ⊛
4 △
19 □
JOHNSTOWN
CAMBRIA COUNTY
SOMERSET COUNTY
SOMER-SET
CONFLUENCE
MEYERSDALE
LEGEND
⊛ Metals
△ Apparel
□ Food
▽ Leather Products

of the 17,135 employees reported for the group. Another 10 percent, some 1,695 employees, were accounted for by the steel foundry of the United States Steel Corporation.

Of the remaining metal industry companies, only two had more than 100 employees each in 1966--the Glidden Company's Metals Division, with 144; and the Penn Machine Company, with 146. Fewer than half of the firms had as many as 15 employees each.[4] These smaller firms as a whole support the larger operations to a considerable extent, or are linked to metal producers as a source of supply.

In summary, it is evident that if the contribution that the metal industries are making to Johnstown's employment and income is not so large now as it once was, it is still dominant in the area's economy. Of the five metal industry groups considered here, primary metals is today by far the most important; and for Johnstown primary metals mean simply steel production.

It is possible for a company's operations in a given area, even if large, not to make much impact on the area's local economy except for the taxes it pays. Obviously the steel companies get a large share of their raw materials from outside the Johnstown area, export their products, and distribute their profits elsewhere. Nevertheless, it is clear from the figures given above that the steel industry in general and the Bethlehem Steel Corporation and United States Steel Corporation in particular are making a very important direct contribution to the employment and personal income of the people who live in the Johnstown area. The steel industry is also more important here today than it was a few years back; and it is more important than some forecasters expected it to be as recently as 1964.[5] Why this is so and what can be expected in the years ahead can only be answered by examining the nature of the steel industry nationally and the relationship of Johnstown facilities to the industry as a whole.

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[4] The figures in this paragraph come from data reported to the Pennsylvania Department of Internal Affairs and published in the Department's 1968 Industrial Directory of the Commonwealth of Pennsylvania.

Primary Steel

The Local Companies

Bethlehem Steel Corporation. This is the second largest steel company in this country. It has nearly 40 steel plants, fabricating works and other manufacturing units located in various parts of this country, as well as ore mines in three continents, coal mines, limestone quarries, shortline railroads, and a shipping fleet. It contributes much to the economy of Pennsylvania, with headquarters and research laboratories at Bethlehem, steel plants and fabricating works in eight cities, mines and quarries near four others, railroads in three, and sales offices in four. It owns the very large, very old, and very famous iron mine at Cornwall, which has been mined continuously for 230 years, and the equally large Grace mine at Morgantown, which has been mined for little more than 10 years.[6] Bethlehem has been spending huge sums for capital improvements for several years.

During the 1950's, the emphasis in the improvement program was placed on building up sources for ore, limestone, and coal and for improving the quality of both low- and high-grade ore. During the 1960's the company gave special attention to improving the quality and adaptability of steel products and to using new processes. There was much modernization of old plant, establishment of new central research laboratories, and partial construction of an enormous and completely new plant to serve the Chicago area markets (by and large, plants are located closer to markets than to raw materials).

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[5] As of March, 1964, it was predicted that primary metals employment would be 8,100 in 1965 and 1970. See: Simonds and Simonds, What Future Do Kids Have Around Here?, p. F-8. This forecast was predicated on the assumption that the United States would not be involved in a major war during those years.

[6] This description of Bethlehem Steel Corporation's policies and facilities is based on the Company's annual reports for 1961-1967. Detail on the Pennsylvania iron mines may be found in A. W, Rose, "Metallic Mineral Resources of Pennsylvania," Earth and Mineral Sciences, November 1968, p. 14.

One feature of Bethlehem's modernization program has been rather extensive use of large-capacity basic oxygen furnaces; and in 1966 this company made more tons of steel by the BOF method than did any other American steel company. A controversy rages over whether or not American steelmakers should have adopted this process sooner and more widely. Be that as it may, Bethlehem Steel installed its first two large-capacity furnaces in 1962-64, has since added four more, and has announced plans for still others (although at this writing none have been announced for Johnstown).

The BOF process has several advantages. The entire steelmaking operation takes less than an hour, compared with 8 to 10 hours for a conventional open hearth furnace and 5 to 7 hours for an open hearth in which supplemental oxygen is used. Moreover, the BOF process lends itself to computer control--the proper quantities of raw materials to be charged can be calculated in a very short time. A third advantage for plants where more steel is made than can be consumed locally is the fact that the BOF uses less scrap than an open hearth furnace. In such locations, steel producers have to import scrap at relatively high prices.

Scrap is shipped into the Johnstown plant, as are limestone, ore, and a certain amount of coal. The ore comes from mines in Pennsylvania, the Great Lakes, and foreign countries. The coal is shipped in for blending purposes, to produce a superior grade of metallurgical coke. It has already been mentioned that Bethlehem operates coal mines in the Johnstown area, recently completed a new coal cleaning plant, and ships coal to its other plants in the East. Bethlehem also operates a coking division and a shortline railroad here.

The Johnstown Plant of Bethlehem Steel consists of five interrelated divisions: the Wheel, Franklin, Gautier, Lower, and Rod and Wire.[7] They spread out for 12 miles and require 100,000,000 gallons of water a day for cooling and processing. There are a half-dozen blast furnaces, more than a dozen open-hearth furnaces, blooming and slabbing mills; billet, plate, rod, wire, and bar mills; and forging hammers. The mills are highly adaptable for production of special-purpose products.

The products and specialties produced here are used in manufacturing, railroads, mining, and agriculture. Manufacturers use standard and special-section bars, wire, plates, and rolled-and-forged circular products. For the railroad industry, the plant turns out freight cars and parts, wheels, forged steel axles, and track accessories. For coal and ore mines, light rails are produced. For agricultural implements, the plant makes cut-and-formed shapes. Forged and machined components for space "hardware" are made in Johnstown, as are just about all the sled runners in the country--some 2,400 miles of them a year. Coal chemicals are supplied to makers of plastics, dyes, synthetic fibers, and drugs, as by-products of coke-making.

Many millions of dollars have been spent to modernize the Johnstown plant. Supplemental oxygen facilities were installed in blast and open-hearth furnaces in 1961, which greatly increased their capacity. In 1963 two new merchant bar mills were put in operation, replacing four older mills; and the remaining mills have since been modernized. In 1967, the company's first production-size continuous casting unit was authorized for the Johnstown plant. It is under construction and scheduled for completion in 1969. The Rosedale By-products Coking Division has been modernized. The coal cleaning plant was erected--which alone cost $25 million.

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[7] Bethlehem Steel Corporation, Johnstown Plant, Booklet 2279-678.

These are the latest developments in a 10-year modernization and development program being carried on at Johnstown. Of cource, basically it has been expansion of the demand for steel, during the prolonged rise of national economic activity in recent years, that has accounted for most of the growth in metal industry employment that took place in Johnstown between 1962 and 1966; but without modernization this plant could not have competed to the extent that it has in the markets for steel.

United States Steel Corporation. The Nation's largest steel company runs far behind Bethlehem Steel Corporation as a contributor to Johnstown's economy. U. S. Steel's Johnstown Works at Moxham produces steel castings and rolls for other U. S. Steel operations. In 1966 it reported 1,695 employees were in its foundry operations. In 1960 it had employed 1,879 workers making railroad equipment. A modernization program amounting to several million dollars is now underway that should enable this plant to enlarge its role as a parts and equipment supplier. A three-acre tract adjacent to the present Works is being used to construct two new buildings; an electric foundry building is being extended; and new equipment is to be installed. The program is expected to be completed in 1970, and may create some permanent jobs--the number has not been announced at this writing.

Johnstown and Pittsburgh

Today Johnstown and Pittsburgh share a good many steel production and marketing conditions and problems. One of the latter is a reduction in the comparative advantage of their locations.

Pittsburgh once was an ideal place to make steel. Its location west of the Allegheny mountains on navigable rivers gave it access to midwestern and downriver markets and to an ample water supply. Iron ore could be brought in by a short rail haul from Lake Erie ports. This access to the west, a very large supply of water, and a shorter haul for iron ore (not to mention bigger valleys in which to build sprawling riverside plants) were more than enough to give Pittsburgh locational advantages Johnstown never had. To become the steel capital of the Nation, however, Pittsburgh needed--and had--something more. That something was proximity to large quantities of the finest metallurgical coking coal. The Connellsville coal from Fayette County at one time fed steel furnaces all over the country; but Pittsburgh, being closest, got it cheapest and that made all the difference.[8] If Pittsburgh had a matchless advantage, Johnstown was close enough to good coal and other steelmaking requirements for the steel industry to develop early and to thrive for a long time here too.

Later, certain technical developments removed much of this advantage and encouraged the iron and steel industry to expand away from Pittsburgh and Johnstown in pursuit of new regional markets. First, blast furnace design reduced coke requirements and to that extent reduced dependence on the Connellsville coal. Then, open-hearth furnace design increased the use of scrap, which Pittsburgh and Johnstown steel makers had to import at comparatively high prices. At last, development of by-product coke ovens instead of beehives ended forever the dependence on Connellsville coal by making usable some less desirable coals. These developments combined to reduce the Pittsburgh area's share of total national steel output.[9] A major new plant has not been built in the Pittsburgh area since 1911, and most of the new capacity added in recent decades has been placed in areas closer than Pittsburgh or Johnstown to the most rapidly growing markets.

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[8] The Pittsburgh Regional Planning Association, _op_. _cit_., pp. 262-264.

[9] _Ibid_., pp. 273, 276.

The Markets for Johnstown Steel

By 1960, according to a recent study,[10] the whole Pittsburgh-Wheeling-Johnstown steel producing district, with 21.6 percent of the Nation's total hot-rolled steel capacity, could tap only about 7.2 percent of the national market for steel within the narrow confines of its "natural market area" or area of freight advantage--*i.e.*, at points which can be reached at least as cheaply from Pittsburgh or Wheeling or Johnstown as from any other steel producing point. "Thus," the study points out, "even if mills in this district were so fortunate as to have no outside competition whatsoever in their area of freight advantage (which is far from being the case), something like two-thirds of their output would have to be disposed of in territories where at least one rival production center has a freight advantage. This is a far cry from the situation in earlier days when Pittsubrgh was the closest steel supply point, in terms of freight cost, to virtually the whole interior market of the nation."

The same study analyzed rail freight rates on shipments of steel sheet and bar in an effort to determine the competitive position of Pittsburgh area steel producers in the national market. Rates were collected from steel centers having 90 percent of total U. S. ingot capacity in 1960 to destinations accounting for more than 95 percent of all consumption of steel in manufacturing in the United States. Then researchers estimated the amount of rail freight absorption required of each producing center to enable it to sell in each market. They concluded that shipment of steel by truck probably would not greatly affect the pattern of relative market access that emerged from analysis of the rail freight rates.

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[10] *Ibid*., pp. 278-290.

Johnstown's market access position proved to be rather similar to that of its closest neighbors: Pittsburgh, Youngstown, and Wheeling-Weirton-Steubenville. This position was less favorable than that of such midwestern steel centers as Chicago, Detroit, Cleveland, and Middletown, but somewhat better than Baltimore or St. Louis. It also proved to be better than that of Bethlehem or Morrisville except for access to the New York steel market.

There were, however, no markets at all in which Johnstown has greatest access advantage (zero freight absorption), and in this Johnstown was unique. Even Pittsburgh producers could compete in 5 percent of the national market without absorbing any freight costs. Chicago, among the steel centers, could tap the largest percentage of the market without freight absorption--19 percent. Johnstown producers could tap 65 percent of the national market by absorbing up to $ .50 per hundred pounds, but it would take an absorption of $2.20 per cwt. for Johnstown to gain access to the entire national market.

Any of the northeastern centers was in better position than the southwestern or far western centers with respect to tapping any major fraction of the national market; but whether or not this put them in a middling good position relative to their chief competitors depended on how big was their share of total productive capacity. Just to reach manufacturing markets equal to their maximum capacity, Johnstown steel producers would have had to absorb a freight rate of $.10 per cwt. If they absorbed as much as $.50 they could compete in markets requiring 40 times their output, and higher absorptions would give them correspondingly larger markets.

As for the nonmanufacturing markets in which Johnstown is likely to participate, the most important is the construction industry. The demand for structural steel depends on rate of growth of population and industry. Since the eastern part of the country grows more slowly than the rest of the country, this would not suggest a rapidly expanding market for the northeastern producers---and Bethlehem does produce structural steel at the Johnstown plant.

Metal Fabricators

Metal fabricators provided nearly 400 jobs in the Johnstown area in 1966, all of them in firms reporting fewer than 50 employees. About one-fourth of these jobs were not here in 1960, but they represent only modest expansion of existing firms and the addition of some new small firms. The fabricating companies make hardware, structural iron and steel, boiler plate, sheet metal, pipe and fittings, wire products, and valves. An important addition to this group of industries since 1966 that has doubled employment in this industry group is the Outing Products Division of the Coleman Co., which, located near Somerset, is currently employing 430 workers (of whom three-quarter are males), and makes camping and sporting equipment from metal, plastics and fabric. The Somerset plant is this company's major outlet for the eastern and foreigh markets. Fabricated metal industries tend to use a large labor input, dispersed among relatively small firms, and they produce fairly standardized products that are then used by other manufacturers. They tend to locate close to their customers. Their products have a transportation cost that is high in relation to product value. For the most part they use semiskilled labor.

The Future Contribution of Steel and Metal Fabricators to Johnstown's Economy

The fortunes of the Bethlehem Steel Corporation--and, to a lesser extent, of the U. S. Steel Corporation--are of concern in this study only as they affect the local economy of the Johnstown area. The review presented above of Bethlehem's operations would seem to indicate that this company is going to considerable effort to improve its competitive position, and that a considerable amount of attention has been given to the Johnstown plant. U. S. Steel also has given attention to its Johnstown facility.

Nevertheless, Johnstown is not in the best location today with respect to either markets or sources of certain ingredients of steel making. Steel has a high transportation cost per dollar of value, and hence production facilities tend to be located as close to markets as is consistent with enormous capital investment and costs of supplies. Nationally it is expected that the most rapid growth in steel demand will come from markets that can best be served from production facilities located in the Midwest. The Bethlehem Steel Corporation itself has recognized this trend by constructing its huge new plant at Burns Harbor.

The national trend is also toward installation of labor-saving equipment. Although demand for steel is expected to increase, it is expected that productivity will increase more quickly and as a result employment in primary steel is expected to decline nationally. On the other hand, employment in the fabricated steel industry group is expected to increase nationally.

By reason of their location, the Johnstown primary steel plants will have a distinct cost disadvantage, and their future will depend upon their own efficiency and on the kinds of competition offered by other plants. Since primary metals are so dominant here, under the best of circumstances it is not likely that local employment in the combined groups will expand beyond its current levels, and no more than 14,000 jobs are expected to be furnished by primary and fabricated metal industries together by 1975. If the competitive position of the Johnstown plants worsens, this estimate will be highly inaccurate.

In any event, there are bound to be job dislocations as facilities and company policies change. The most recent evidence of this came in 1968 when Bethlehem moved the payroll department of the Mines Division to its home office in Bethlehem, thereby losing a number of white-collar jobs in Johnstown. There are likely also to be some losses of production jobs, for the newer equipment demands increased numbers of professional, technical, and kindred workers. On the other hand, wages, salaries, and fringe benefits are likely to increase and to this extent should counteract shrinkage in this industry's payroll contribution to local income.

The steel industry will no doubt continue to contribute something less desirable than jobs and income to Johnstown's economy--and that is instability.

Durable goods industries by their nature react more violently than some other kinds of industry to cyclical swings. How Johnstown reacts is revealed in the employment records of 1960 and 1961. During that relatively mild recession, average monthly employment in the metals, machinery and transportation equipment industries (separate figures are not available for steel) dropped 27 percent, and 4,800 workers in these industries were laid off. At the same time, 1,800 workers in other industries of the Johnstown area lost their jobs. Together these groups of layoffs added up to 8 percent of total employment in the labor market area and it took five years for metals industry employment even to approach its 1960 total.

Instability also results from the pattern of labor contract negotiations in the steel industry. Characteristically, customers build up their steel inventories prior to the expiration date of the union contract, in anticipation of a possible strike--then draw upon those inventories during the strike or for several months after one has been averted. This happened most recently in 1968. During the first half of the year, monthly average employment in the metal industries rose to a high of 17,100 in June and July, ahead of the contract reopening. Within four months, the average had dropped 16 percent to 14,300 in November, as some 2,800 workers were laid off.[11]

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[11] Pennsylvania Department of Labor & Industry, Bureau of Employment Security, Johnstown Labor Market Letter, monthly editions, 1968.

These are only the direct consequences of fluctuations in the demand for steel. Were indirect consequences to be tallied also, the effects would be still greater.

The Contributions of Other Metal Industries

To the extent that steel becomes less important to Johnstown's economy, these adverse employment effects will have a smaller impact but at least until 1975 steel can be expected to remain extremely important.

The nonelectrical machinery industries provided 445 jobs in the Johnstown area in 1966. They made mining machinery, machine tools, special industry machinery, pumps and pumping equipment, power transmission equipment, tools and dies, refrigeration equipment, and other products. Since 1966 the Penn Machine Company has announced expansion, with a small increase in employment. Both the fabricated metals producers and the nonelectrical machinery producers are linked to primary metals for supplies, and a strong primary metals industry acts as an attraction to them. The nonelectrical machinery industries have characteristics very similar to the fabricated metals industries with two exceptions: the machinery makers have more need for professional, skilled or specialized workers and less for semiskilled labor; and their products have a transportation cost that is low in relation to product value.

The national outlook for nonelectrical machinery makers is for manpower requirements to increase by 20 percent between 1965 and 1975. Recent employment growth in this industry in the Johnstown area has exceeded growth in the industry in general, but it has resulted primarily from a net influx of small firms and not from expansion of old firms. Such an influx is unlikely to continue at the present rate, and it is perhaps more likely to assume that the industry in Johnstown will expand employment at about the national rate. If this happens, 1975 employment will be around 900 or 1,000 workers. A higher proportion of professional and technical workers will be needed.

The electrical machinery industries provided only 128 jobs in the area in 1966. The firms make motors, generators, transformers, and other industrial apparatus, testing equipment, measuring devices, certain wiring devices, and cathode ray picture tubes. This group of industries may require large inputs of either labor or capital investment and most types benefit by economies of scale. They are not closely linked to either suppliers of raw materials or customers, but are somewhat urban-oriented. Transportation costs are low as a share of product value, and labor requirements are varied, depending on the inudstry sector.

Employment in this industry group, although still very small, more than doubled between 1960 and 1966. Much of this growth resulted from expansion of existing firms. The demand for electronic products is expected to rise nationally very rapidly. This factor, in addition to the fact that electrical machinery products are sold nationally, rather than regionally or locally, should indicate continued employment expansion for local firms. Lacking the entrance of any new operations of substantial size, local employment in this industry should increase to about 170 by 1975. The growth possibilities of this industry group warrant careful attention to its potential for Johnstown.

Of the 2,607 jobs provided by the transportation equipment industry in 1966, 2,121 were provided by the car shops of Bethlehem Steel Corporation, as has already been noted. Other companies in the area build truck trailers (largely for military use) and truck bodies (for general commercial use). Since 1966 an expansion of the trailer operation has been announced. Truck and trailer production requires much labor input of a skilled or specialized nature, and transportation costs are low in comparison with the value of the product. This industry serves a regional, rather than a national, market. Railroad equipment production, on the other hand, requires much capital and large plants, and a close affiliation with a source of metal. Skilled labor is necessary, and the market is, of course, nationwide.

Comparison of Wage Level and Growth Rate

The present shortage of and future demand for railroad cars[12] can be expected to increase employment requirements nationally, and technological development is expected to have little impact upon the occupational structure of the industry or upon unit labor requirements. However, since some of the firms in the Johnstown area are small, it is perhaps reasonable to expect that in 1975 employment in this industry group will be only slightly larger than it is now.

A recent ranking of industries according to level of wages in 1965 and growth between 1959 and 1965 in the United States puts most of these metal industries groups up front.[13] Nonelectrical machinery ranked first, as having both high wages and a high growth record.

Fabricated metals and electrical machinery had a high growth rate, and a medium wage level. Primary metals and transportation equipment had a high wage level but a medium growth rate.

In the past, however, the metals industries as a group have not developed as well in the Johnstown area as they have in some neighboring northeastern states. A comparison with a group of states composed of Ohio, New York, Connecticut, Rhode Island, and Massachusetts for the period 1958-1966 reveals that Johnstown would have added some 900 jobs locally in this group of industries if plants in this area had expanded at the same rate as did plants in the same industries in the other states. Instead, the Johnstown plants lost 3,000 jobs.[14]

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[12] U. S. Department of Commerce, Business and Defense Services Administration, Growth Pace Setters in American Industry, 1958-1968, October 1968, p. 128.

[13] R. W. Epps, "Strategy for Industrial Development," Business Review, Federal Reserve Bank of Philadelphia, November 1966, Table 1, p. 6.

The employment projections presented above for these industry groups are based primarily on past trends. Neither electrical nor nonelectrical machinery industries contribute much in the way of employment to Johnstown at the present time; and if the local past trends continue they will add little to Johnstown's economy in the future. But the national outlook for these industries is quite bright in terms of both product demand and derived demand for workers. Because of this potential and because of the low transportation cost relative to the value of the product (especially for electrical machinery), Johnstown industrial developers would do well to attempt to attract more of these types of firms.

Other Manufacturing Industries

The Durable Goods Producers

Steel and metal products, discussed at length above, are not the only durable goods produced in the Johnstown area. In addition, firms in the area turn out clay and concrete products, lumber and wood products, and furniture and fixtures. The firms that produce them are small, few in number, and not now the source of many jobs. None of these three durable goods industry groups has shown vigorous growth locally in recent years. As is shown in Table 17, all three did increase their employment between the recession year of 1960 and the expansion year of 1966; but two of the groups then employed fewer workers than they had 15 years before and the gain over that period in the third group was negligible. Stability is their main characteristic.

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[14] ------, "From Surplus to Shortage," Business Review, Federal Reserve Bank of Philadelphia, July 1967, p. 20.

TABLE 17

EMPLOYMENT IN SELECTED INDUSTRIES
JOHNSTOWN LABOR MARKET AREA
1951, 1960, AND 1966

Industry Group	Number of Employees 1951	 1960	 1966
Durable goods producers other than metals group:			
Lumber and wood products	926	545	572
Furniture and fixtures	265	158	282
Stone, clay, and glass	921	569	596
Nondurable goods producers:			
Food and kindred products	1,658	1,856	1,522
Apparel and related	3,235	4,817	5,353
Paper and allied products	9	54	7
Printing and publishing	629	479	465
Chemicals and allied products	49	48	55
Petroleum and related products	--	43	51
Rubber and plastics	--	17	33
Leather and leather products	69	176	516
Railroads, repair shops	642	283	233

Source: Pennsylvania Department of Internal Affairs, Employment Statistics in Pennsylvania for Selected Years: 1919-1961, Special Release S-10 (1963).

____________, County Industry Reports, Cambria and Somerset Counties, Release M-5-66.

____________, Statistics for Manufacturing Industries, 1966, Release M-1-66, Table 12.

Stone, Clay and Glass

This group of durable goods industries in 1966 provided about 600 jobs in the Johnstown area, in some 30 firms. Products include brick, structural clay tile, clay refractories, clay pipe, nonclay refractories, concrete brick and block, and other concrete products. The largest establishments in 1966 were Hiram Swank's Sons, Inc., at Johnstown, with 90 employees, and the Alliance Ware Division of the Crane Co. at Somerset, with 91 employees. Six years earlier Alliance had been making enameled metal bathroom fixtures; now it makes ceramic lavatories and other plumbing equipment. About the same number of workers is employed now as then. Other firms in the stone and clay group reduced employment between 1960 and 1966. Some expansions of operations have been announced in recent years, but none that promises much in the way of additional employment.[1] Much of the production of the clay industry is used by the steel industry, and the failure of the group to expand employment after 1960 may be the result of slackening in the demand for steel.

As a group, the stone, clay, and glass industries experienced a medium growth rate nationally and a medium wage level between 1959 and 1965. They used mainly unskilled labor, and a lot of it, had a high transportation cost relative to the value of their products, and tended to locate close to their customers. They served either local or regional markets. Industries that produced plumbing fixtures differed from this pattern in that they required skilled or specialized labor, tended to be large firms, and served national as well as regional markets. In the northeastern part of the Nation, the firms in this industry group performed just about as they did in Johnstown--despite the national record, they did not show growth.

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[1] Pennsylvania Department of Commerce, Industrial Development Projects Announced in Pennsylvania, 1964-1967 editions, inclusive.

Unless new uses are found for the local clays, they will no doubt continue to be used primarily in the steel industry, and, if this is so, industry employment in 1975 is not expected to exceed 700.

However, two new uses are distinct possibilities: as lightweight aggregate in concrete, and in the manufacture of aluminum. It is believed that within a few years there will be a technological breakthrough that will make it profitable to use these kinds of clay in the manufacture of aluminum.[2] If either possibility materializes, the estimate of 700 jobs for this industry may prove to be too low. These possibilities offer an opportunity of developing new industry in the Johnstown area--once again through exploitation of the area's natural resources.

To the extent that construction increases, concrete products producers in the area will benefit, since such producers compete mainly in local markets; but employment is not likely to increase since this industry is capital--rather than labor--intensive.

Lumber and Wood Products

These firms accounted for about 600 jobs locally in 1966. They included numerous small planing mills and sawmills and a few millwork plants. None had as many as 50 employees and most had far fewer. Although the number of sawmills and planing mills in Somerset County diminished from 40 to 20 between 1960 and 1966, and Cambria County lost 2 of its 26 mills, employment in this industry group held up. Modest, scattered increases took place in the remaining and replacement mills. The reduction in the number of Somerset County mills represents the disappearance of a number of small operators, and this is no doubt a healthy development. In Pennsylvania this industry typically has had numerous marginal operations. What it needs most, according to one observer, is fewer but better mills, especially in the medium to large categories, operated by competent mill men.[2] That the industry locally is moving toward this desirable situation is shown not only by employment distributed over fewer plants, but by the fact that some local operators are buying or leasing large timber tracts in adjacent Appalachian states.

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[2] Pennsylvania State Planning Board, Pennsylvania Appalachian Development Plan, (1968), pp. 45,46.

The Southern Laurel Highlands (which include Somerset County and part of Cambria County) have been selectively harvested almost continuously over a long period. Among the remaining trees there are many culls, and the woods have been described as a "rather unimpressive stand of second, third, and fourth growth hardwoods," that it would be better to let grow as a recreation resource in the short run, with a view to improving the timber harvest in the long run.[3] Nevertheless, Somerset County is still being timbered, and in 1964 more poletimber was cut there than in neighboring counties.[4] As for Cambria County, it ranks high among Pennsylvania counties in production of certain types of hard and soft sawtimber.[5]

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2. N. A. Norton, "Green Gold for Pennsylvania: Some Overlooked Chances to Develop Forest Products Industries," Pennsylvania Business Survey, August 1963, p. 6.

3. U. S. Department of the Interior, Bureau of Outdoor Recreation, Exploratory Recreation Study, Southern Laurel Highlands of Pennsylvania, Vol. 1 (1964), p. 22.

4. Pennsylvania State Planning Board, Appalachian Pennsylvania Development Plan (1968), p. 140.

5. Cambria County Planning Commission, Physical Resources Report (preliminary), 1968.

The lumber industry uses mainly unskilled labor nationally, and in recent years has shown little growth. In fact, employment is expected to decline in the future as innovations decrease the high degree of labor intensity that previously existed in this industry.

Perhaps the reason why employment in this industry in Johnstown has held up while it has declined nationally is the small size of local firms. In general, smaller operations are less capable of taking advantage of labor saving techniques. This, however, does not put them at an advantage competitively, and, in any event, the industry is traditionally low-paid. A projection for this industry, that takes note of a certain amount of future construction in the Johnstown area, is for an employment total of roughly 700 jobs in 1975.

Furniture and Fixtures

Manufacturers of these products provided about 300 jobs in the Johnstown area in 1966, distributed among 10 establishments. The largest was Clapper's Mfg., Inc. at Meyersdale, which had 117 employees in that year. Half of these firms were also in existence in 1960, but only Clapper's showed any real growth--it had only 19 workers in that year. Clapper's uses a good bit of lumber from nearby sources.

The furniture industry in recent years has shown high growth, but a low wage level, being a user chiefly of unskilled labor. It is labor-intensive, and despite technological advances (such as automatic materials handling) can be expected to remain labor-intensive. The growth in output that is expected to result from increased family size and disposable income can be expected to more than offset the employment-dampening developments. Moreover, the occupational structure of the industry is not expected to change appreciably; it will continue to be dominated by a large proportion of production workers. Locally, however, one would judge from the size of the establishments that some innovations will occur that may decrease the need for craftsmen and increase the need for repairmen. The expectation is that employment in this industry is likely to double by 1975.

Instruments

A small but potentially interesting development has occurred among manufacturers of instruments. In 1966 there were three firms in the Johnstown area making surgical and medical equipment and all told they employed 235 persons. This was nearly double the employment in this industry group six years earlier. One of the firms, the Products Division of General Kinetics, Inc., has been operating on a production basis for only two years. Starting with smaller products of the company, it is now making larger, more sophisticated equipment, such as magnetic tape testers. Short-order production of GKI products was shifted into the Johnstown plant from another company plant in another state. GKI has a second plant in the local area at which electronic cabinets and enclosures are made. During 1967 the U. S. Navy and the General Electric Co. were major customers. This plant produces all enclosures for the company's line of magnetic tape equipment. Between the two plants this company employed about 130 workers, and some expansion was contemplated.

The instruments group of industries has been a medium-wage, high-growth group nationally, employing skilled workers mainly, and selling to a national market. It would appear to be a likely candidate for further development in the Johnstown area.

Nondurable Goods Producers

The types of industries that produce "soft" goods in the Johnstown area are listed in Table 18, which shows the comparative importance of various types of manufacturing industry groups by several measures.

Apparel and Related Products

These companies account for more than half of the jobs in the nondurables group. Local firms make women's undergarments, dresses, and men's shirts. In 1966 there were 15 establishments in Cambria County and 11 in Somerset County, and more than half of them had at least 100 employees each. The largest were the Johnstown plant of Bestform Foundations of Pennsylvania, Inc., and Bali Bra Mfg. Co., each of which had 600 or more workers. Bestform had a second plant, almost as large, at Windber. The Johnstown plants have done well here, compared with similar plants in a group of five northeastern states. Had the industry locally developed as it did in these five states, the Johnstown area would have had 800 fewer people employed in this industry in 1966 than in 1958. Instead it had 1,400 jobs more. This industry has grown steadily in Johnstown, as can be seen from the employment figures in Table 18.

Nationally, apparel firms have displayed a medium growth rate in jobs and a low wage level. For staple goods, such as underwear and shirts, technological change is likely to be rapid among large-scale producers.[6] The industry generally does not

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6. U. S. Department of Labor, Bureau of Labor Statistics, Technological Trends in American Industries, Bulletin No. 1474, February 1966, pp. 39-50.

TABLE 18

MANUFACTURING ACTIVITY, JOHNSTOWN LABOR MARKET AREA, BY TYPE OF INDUSTRY, 1960 AND 1966 (MONEY FIGURES IN THOUSANDS OF DOLLARS)

Industry Group	No. of est.		Value of production		Value added by mfg.	
	1960	1966	1960	1966	1960	1966
All manufacturing ind.	280	302	433,006	616,726	215,861	296,882
Durable goods industries:						
Primary metal products	3[a]	5	230,070	342,302	120,676	181,535
Fabricated metal prod.	16	19	6,283	8,860	2,896	4,280
Machinery, exc. elec.	13	22	3,568	8,359	2,263	5,177
Electrical machinery, equipment & supplies	5	8[b]	759	2,427	490	1,273
Stone, clay, glass	26	29	7,259	9,756	4,479	5,963
Lumber and wood prod.	68	61	4,508	7,899	2,796	4,757
Nondurable goods industries:						
Apparel and related prod.	25	30	24,881	33,182	17,029	25,920
Food & kindred products	58	50	32,347	35,614	12,918	12,140
Printing and publishing	28	39	4,928	6,183	3,950	4,974
All others	34[a]	32	118,403	162,144	48,364	50,864

a 1960 data do not include information on one firm in Somerset County in this classification. Data for this firm are included in the "all others" group.

b Data withheld for one Somerset County firm to avoid disclosure of confidential information.

Source: Pennsylvania Department of Internal Affairs, Bureau of Statistics, Statistics by Major Industry Group for Counties and Urban Places, 1960 and 1966, Release Nos. M-2-60 and M-2-66.

require a large capital investment, and there are some operating advantages to firms clustering in a given locality. The firms in the Johnstown area have mostly been there a long time and have been comparatively stable; but there is nothing in their structure to prevent them from readily moving to other areas, and by their very nature they have some built-in economic disadvantages. Not only is their wage scale typically low, but their employment requirements fluctuate widely according to season. They are still coming into the Johnstown area. In 1967 three new garment factories with a planned employment of 270 were announced, in addition to two expansions involving an estimated 80 new jobs.

The largest group of consumers of apparel is the sector of the population aged 14 to 34. This age group is expected to increase its proportion of the population by one-seventh over the period 1965-1975. Therefore there should be no slackening in the demand for apparel; and since it is sold on a national market, this situation should affect the industry in Johnstown. However, the local industry cannot be expected to expand in the future as it has in the past. The area's low-wage advantage has been narrowing, and it will become increasingly difficult to coax the necessary female labor supply into the labor force. To do so will require raising wages, and the more this process takes place the less attractive the area will become to apparel manufacturers. In the light of these considerations, it is estimated that employment in this industry in 1975 will be approximately 5,300 workers.

Leather and Leather Products

In the Johnstown area this means virtually one product: shoes. In 1966 there were four establishments that accounted for over 500 jobs in the two counties of the area. Three had over 100 workers each: Ace Footwear Inc., Bender Shoe Co., and Rosia Corporation. In 1967 an expansion of one firm was announced that was scheduled to provide 50 more jobs. Only in the last half dozen years has the shoe industry become important as an employer. In 1960 there were two firms that employed less than 200 persons.

The shoe industry has characteristics similar in some respects to the apparel industry. It uses cheap labor and a lot of it. Firms tend to cluster together. Nationally the entire leather group of industries has shown little growth in employment in recent years. Labor cost is an important part of the total cost of producing a pair of shoes, and it is possible that Johnstown now offers the shoe industry the combination of moderate labor cost and market access.

Pennsylvania in the 1950's became the fastest-growing shoe manufacturing state in the Nation, and by the end of that decade stood second among the states in volume of footwear output. At that time the firms concentrated quite heavily in the southeastern part of Pennsylvania, attracted there from other states. If labor cost were all that was involved, the industry would likely have moved south; but Pennsylvania offers the advantage of proximity to some of the Nation's best shoe markets: Pittsburgh, Washington, Baltimore, Philadelphia, and New York. Nationally, firms tend to be large; but in the east they are smaller, and the smaller manufacturer cannot afford to distribute over a multimarket network; he has to have access to large, concentrated markets. Few areas possess the market concentration of a Pennsylvania location and, of these few, Pennsylvania's wage rates have in past years been the lowest.[7] It may be that southeastern Pennsylvania's recent rapid industrial growth is now making it more costly as a location for shoe manufacture, and that firms are looking elsewhere in the State for suitable locations.

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[7] G. Heitmann, "Pennsylvania--Nation's Fastest Growing Shoe State," Pennsylvania Business Survey, July 1961, pp. 8 ff.

Food Products

Manufacturers of food products provided over 1,500 jobs in the Johnstown area in 1966, fewer than they had in 1951. The largest firms are the Johnstown Sanitary Dairy Co. with 285 employees, and the Harris-Boyer Co. bakery, with 245 employees. These firms sell some of their products in other areas, as do the bakeries for the Acme Markets and Riverside Markets supermarket chains; but most of the approximately 50 food firms are small local operations that depend on local customers. Since the population in the area is not growing and large numbers of tourists are not coming into these counties on a consistent and prolonged basis, it would not appear that much expansion can be expected unless outside markets are better developed.

With highway improvements completed, in progress, and planned such outside development may become possible. In fact there is already some evidence of their effects. A number of bottling works have been in the area for some time; but recently a new one has come to Johnstown's new industrial park, five miles from the city along the new north-sourth U. S. 219. This is Laurel Packaging, Inc., a cola-canning activity begun by a group of Pepsi-Cola franchise holders located in Maryland, West Virginia, and Pennsylvania.

Failing further development of such outside markets, the local employment picture in the food and kindred products industry sector would appear rather bleak. The expectation nationally is for a decline in employment in the food industry, resulting from only a moderate increase in demand combined with an extensive advance in technology. The dairy industry especially is expected to reduce employment of production workers and shift to larger and more efficient plants. The relative importance of professional and technical workers is likely to increase, and a total employment of about 1,200 is anticipated for this industry locally in 1975.

Other Nondurables

The remaining industries in this sector are relatively unimportant to the Johnstown economy. In 1975 they are expected to account for only a little over one percent of total employment in the area. These industries are textile, paper, printing, chemicals and petroleum. All but the chemicals industry are expected to have positive employment growth.

Exports

Almost all of the major products of Cambria and Somerset counties find their way into export trade, either directly or indirectly. In 1966, some 29 manufacturers exported goods valued at $3,560,000, and in 1965 such goods were valued at $7,708,000. The ports most frequently used were New York City, Buffalo, and Baltimore.

Bethlehem Steel Corporation exported coke, rolling mill products, wire, forgings, structural steel, and railroad cars. Glidden Co. exported electrometallurgical products. U. S. Steel Corporation sent abroad steel castings, iron and steel forgings, and other products. Phillips-Van Heusen Corp. sent men's shirts. Hiram Swank's Sons exported clay refractories; Bestform Foundations of Windber, Inc., corsets; Crane's Alliance Division, china and earthenware bathroom fixtures; DeVilbiss Co. and Atlas Hospital Equipment Co., surgical and medical instruments; Poorbaugh Lumber Co., sawmill and planing mill products; Summers Fertilizer Co., fertilizers; and there were other firms and other products also.

The two-year total of $11,268,000 is not quite so large as the value of exports during the same period in neighboring Altoona--$11,355,000,[8] even though Johnstown had twice the value of production (in 1966, it was \$616,726,000 to Altoona's \$307,591,000). Possibly Johnstown producers could investigate the potential of foreign markets more carefully than they have done.

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[8] Pennsylvania Department of Internal Affairs, Exports by Pennsylvania Manufacturers, 1966, Release M-6-66; ---------, Directory of Pennsylvania Manufacturing Exporters, 1966, Release M-7.

CHAPTER 17

SERVICE INDUSTRIES: TRENDS AND OUTLOOK

Local economic activities other than extractive, manufacturing, and construction are generally classified as noncommodity or "service" industries. They represent a third level of activity built upon the primary and secondary levels in response to activity in these more basic industry groups. Service and related industries nationally have grown larger and larger in recent years in proportion to their base. Since they are the least sensitive to business cycle fluctuations of any of the three groups, they contribute stability to an economy--a contribution that Johnstown's economy especially needs.

When evaluating information about noncommodity or service industries during the years under consideration in this study, three occurrences need to be borne in mind. One has already been mentioned--the exodus of population and labor force between 1959 and 1963. The effect of this development was to reduce the size of the local market for services.

The second occurrence was an increase in the general level of prices between 1959 and 1968. Late in 1968, consumers' prices in the Pittsburgh area were 22.6 percent higher than they had been, on the average, during the years 1957-59.[1] This means that a good bit of any increase in dollar volume of trade and service business over that period must be considered likely to be price inflation rather than business expansion.

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[1] U. S. Department of Labor, Bureau of Labor Statistics, Monthly Labor Review, December 1968. Table D-2.

The third occurrence is a change in the coverage and minimum wage provisions of the Federal Fair Labor Standards Act. In 1961, coverage of this act was broadened to include many workers in retail and service industries, gasoline service, construction, and other nonmanufacturing industries. Again in 1966 coverage was extended, and these newly covered workers are being phased into minimum wage standards on a schedule that will not be completed until 1971. Just how this legislation has affected the local economy of Johnstown is unknown; the effects of the changes may have been to decrease the number of workers employed, increase payrolls, or both. This occurrence needs to be kept in mind in reviewing employment and payroll developments from 1960 forward.

The noncommodity industries that now make the largest contributions or show potential for future contributions to the Johnstown economy in terms of jobs and payroll are retail trade, recreation-oriented industries, medical and health facilities, and educational services.

Johnstown's topography and the lack of a large and sustained influx of tourists or vacationers (such as the Poconos have had for many years) mean that the area within which residents look to Johnstown as a center for trade and services is well defined. It coincides quite closely with the two-county Johnstown labor market area previously used in this study. The existence of good east-west highways, such as the Pennsylvania Turnpike, U. S. 22, and U. S. 30, means that population centers just outside the area are somewhat Johnstown-oriented, such as Indiana, Blairsville, Ligonier, Bedford, and a small portion of Clearfield County.

Retail and Wholesale Trade

Retail Trade

According to records collected for purposes of the Social Security program, retailers provided more than 10,600 jobs in the Johnstown labor market area in the first quarter of 1967, and in wages and salaries paid an estimated $34,000,000 a year.[2]

Three groups of retailers accounted for more than two-thirds of the first quarter 1967 employment (see Table 19): general merchandise stores; automotive dealers and gasoline service stations; and eating and drinking places. The largest number of jobs was found in the general merchandise group. Some 2,600 persons were employed there, most of them in firms that had only from one to three employees. About 1,900 workers were reported for each of the other two groups, and the firms in those groups also were mostly of the smallest size. Food stores accounted for another 1,500 jobs in predominantly very small firms.

There appears to have been only a little change in recent years in the retailing employment patterns. In 1967 the same types of retailers accounted for most of the jobs as they had in 1962. Retail employment increased over the period by 841. Table 20 summarizes the changes in size and number of reporting units. There was a substantial loss in the number that had only one to three employees, which now accounts for 57 percent instead of 66 percent of the total. Units in which from four to fifty persons were employed increased in both number and importance, as did those with 100 or more employees. Nevertheless, those

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[2] See U. S. Department of Commerce, Bureau of the Census, County Business Patterns, 1967, Table 3. Payroll estimated by multiplying quarterly payroll by four. Comparison is made with 1966 personal income estimates of the U. S. Department of Commerce, Office of Business Economics, published in Survey of Current Business, August 1968. The comparison is a very rough one because there is not only a difference in time but also in certain definitions.

TABLE 19

RETAIL TRADE, JOHNSTOWN LABOR MARKET AREA
EMPLOYMENT AND PAYROLLS BY TYPE OF REPORTING UNIT
1962 AND 1967

Type of Unit	Number of employees		Taxable payrolls Jan.-Mar. ($000)	
	1962	1967	1962	1967
Building materials and farm equipment	680	584	567	521
General merchandise	2,672	2,629	1,824	2,173
Food	1,189	1,567	930	1,292
Automotive dealers and service stations	1,518	1,936	1,346	1,946
Apparel and accessories	512	548	314	360
Eating and drinking places	1,854	1,939	687	767
Miscellaneous (includes drug and propriet.)	749	807	509	660
Other[1]	666	671	625	768
Retail trade, total	9,840	10,681	6,802	8,487

1. Includes furniture and home furnishings, administrative and auxiliary activities.

Source: U. S. Department of Commerce, Bureau of the Census, County Business Patterns, Pennsylvania, 1962 and 1967 editions, Table 3. "Other" category calculated.

TABLE 20

RETAIL TRADE, JOHNSTOWN LABOR MARKET AREA
CHANGE IN SIZE OF REPORTING UNIT, 1962-1967

	1962		1967		Change	
No. of employees	No. of units	% of total	No. of units	% of total	No. of units	%
1-3	975	65.7	743	56.8	-232	-24
4-7	281	18.9	294	22.5	+ 13	+ 5
8-19	158	10.6	188	14.3	+ 30	+19
20-49	50	3.4	63	4.8	+ 13	+26
50-99	11	0.7	8	0.5	- 3	-27
100 or more	10	0.7	15	1.1	+ 5	+50
Total	1,485	100.0	1,311	100.0	-174	-12

Source: U. S. Department of Commerce, Bureau of the Census, County Business Patterns, Pennsylvania, 1962 and 1967 editions, Table 3.

with 50 or more employees accounted for only a little over one percent of the total in 1967 as they had in 1962. Obviously the movement toward larger establishments is very slow.

It has been estimated that between 1961 and 1966 Cambria County lost 5.5 percent of its population and Somerset County gained 2.6 percent.[3] During that same period total employment increased and there was also an increase in personal income.[4] Thus, although the population base for retail activities was reduced, better time strengthened employment and income, which would tend to strengthen retail activities.

The uptrend in local prosperity may be reflected most clearly in the gains made by automotive dealers and gasoline station operations (see Table 21). They not only enlarged their share of retail employment but also their share of total payrolls. Apparently these jobs were relatively well paid; with 18.1 percent of the jobs, this group paid 23.0 percent of the total retailing payroll in the first quarter of 1967. There is no way of knowing how much went into commissions to a few automobile salesmen or how much went to relatively low-paid or part-time gasoline station attendants.

In contrast, eating and drinking places had 18.2 percent of the employees but only 9.0 percent of the payroll. Relatively low pay and part-time work are likely factors here.

Among other retailing groups, food stores increased both employment and payroll shares; the miscellaneous group that includes drug stores held steady and other kinds of stores lost part of their shares.

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3. Percentages calculated from estimates of the Pennsylvania State Planning Board. See Pennsylvania Department of Internal Affairs, Pennsylvania Statistical Abstract, 1967 ed., p. 10.

4. Pennsylvania Department of Labor and Industry, Bureau of Employment Security, Johnstown Labor Market Letter, 1961 and 1967.

TABLE 21

PERCENTAGES OF EMPLOYMENT AND PAYROLLS IN RETAIL TRADE PROVIDED BY SELECTED TYPES OF REPORTING UNIT, JOHNSTOWN LABOR MARKET AREA, 1962 AND 1967

Kind of Business	Percentage of retail employment		Percentage of taxable retail payrolls Jan.-Mar.	
	1962	1967	1962	1967
Building materials and farm equipment	6.9	5.5	8.3	6.1
General merchandise	27.2	24.6	26.8	25.7
Food	12.1	14.7	13.7	15.2
Automotive dealers and service stations	15.4	18.1	19.8	23.0
Apparel and accessories	5.2	5.1	4.6	4.2
Eating and drinking places	18.8	18.2	10.1	9.0
Miscellaneous (including drug and propriet.)	7.6	7.6	7.5	7.8
Other[1]	6.8	6.2	9.2	9.0

[1] Includes furniture and home furnishings, administrative and auxiliary activities.

Source: U. S. Department of Commerce, Bureau of the Census, County Business Patterns, Pennsylvania, 1962 and 1967 editions, Table 3. "Other" category calculated.

The largest retail stores in the area are Penn Traffic Company, Glosser Bros., Sears, Roebuck & Co., J. C. Penney Co., W. T. Grant Co., and the Miracle Mart. All are located in the city of Johnstown; Sears has stores also at Ebensburg and Somerset; Penney has a store in Somerset; and there are others (Jamesway at Somerset and Nathan's at Barnesboro, for example). Penn Traffic also operates a second department store at State College, Pa., as well as 17 Riverside food markets, 11 Dairy Dell stores, a cafeteria, and 3 combination units (called P-T stores), throughout central Pennsylvania. This company in 1968 merged with the manufacturing firm of Johnstown Sanitary Dairy Company.

Recent data are not available at this time to determine sales volume in retailing, the impact of self-service merchandising, or the effects of suburban shopping centers.

The shifting of residential areas out of Johnstown and into neighboring boroughs and townships and the blight that has attacked the core city have encouraged the development of suburban shopping centers. They are located in the Park Hill section of Conemaugh Township, in Westmont, at Geistown, and in Richland Township. One is located right in the city of Johnstown, where extensive urban redevelopment and planned parking facilities will do much to eliminate some of the worst problems that have been discouraging to downtown trade. There is the nucleus of a small shopping center developing at Somerset, but otherwise centers are not scattered about the two counties.

Although recent data are not available, some insight into the effects of the loss in population that occurred between 1958 and 1963 may be obtained from older data. These changes are highlighted in Table 22. Note especially the substantial losses that occurred in several types of retailing that could be expected to suffer from a population decline. Both number of establishments and dollar volume of sales declined in furniture and home furnishings, lumber and building materials, and apparel.

TABLE 22

RETAIL TRADE, JOHNSTOWN LABOR MARKET AREA
DISTRIBUTION BY TYPE OF ESTABLISHMENT
1958 AND 1963

	No. of establishments			Total sales ($000)		
Kind of Business	1958	1963	Percent change	1958	1963	Percent change
Retail trade, total	2,823	2,603	- 8	265,307	275,037	+ 4
Lumber, bldg. materials, hardware, etc.	182	141	-23	19,153	15,258	-20
General misc. stores	114	73	-36	40,248	35,724	-11
Food stores	664	576	-13	68,625	74,579	+ 9
Automotive dealers	146	150	+ 3	43,656	54,811	+26
Gasoline service stations	331	311	- 6	18,850	20,115	+ 7
Apparel, accessory stores	169	135	-20	13,392	12,383	- 8
Furniture, etc.	137	112	-18	12,711	11,630	- 9
Eating, drinking places	625	634	+ 1	18,325	19,013	+ 4
Drug stores, proprietary stores	64	59	- 8	5,854	6,781	+16
Other retail stores	284	284	0	21,095	20,277	- 4
Nonstore retailers	107	128	+20	3,398	4,466	+31

Source: U. S. Department of Commerce, Bureau of Census, 1963 Census of Business: Retail Trade--Pennsylvania, B63-RA40 Revised, Tables 4, 10.

Although the number of drug and proprietary stores declined, their sales volume rose substantially. Part of this gain may have resulted from expansion of their merchandise lines, which frequently happens when such stores relocate from downtown sites to the suburbs. These stores may also have accounted for part of the loss in both number and volume of sales of general merchandise stores. The sharp increase in number of nonstore retailers seems to have come mostly from an increase in the number of individuals engaging in direct house-to-house selling.

Finally, it would appear that the four percent increase in total volume of sales over the five-year period may be attributed entirely to price rise. In fact, the increase did not cover the general price rise and to that extent it really represents a shrinkage in retail trade.

Much of the heaviest concentration of retail stores was in Cambria County in 1963, and of 1,789 establishments located there, more than 600 were located in the city of Johnstown. The distribution between counties is summarized in Table 23.

As has been noted, growth in trade volume depends on growth in population and in disposable income. Obviously, population growth is not now supporting expansion of retail trade in the Johnstown area; and the improvements in income are likely to last only so long as the area's highly cyclical basic industry is in an upswing. There is little evidence now of the conditions necessary to promote vigorous growth of trade in the area.

Wholesale Trade

Wholesale trade provided 2,345 jobs in March 1967 and had an annual payroll estimated at $12 million. The largest payroll in 1967 was paid by sellers of machinery, equipment, and supplies. It amounted to an estimated $2.3 million a year and, in mid-March,

TABLE 23

GEOGRAPHICAL CONCENTRATION OF RETAIL FIRMS, JOHNSTOWN LABOR MARKET AREA, BY SELECTED TYPE OF ESTABLISHMENT, 1963

Kind of Business	Cambria County		Somerset County	
	No. of est.	Percent of type total	No. of est.	Percent of type total
Retail trade, total	1,789	69	814	31
General merchandise stores	50	68	23	32
Food stores	407	71	169	29
Automotive dealers	96	64	54	36
Gasoline service stations	188	60	123	40
Eating, drinking places	468	74	166	26

Source: U. S. Department of Commerce, Bureau of the Census, 1963 Census of Business: Retail Trade--Pennsylvania, B63-RA40 Revised, Table 3. Percentages calculated.

this group accounted for about 340 jobs. By far the largest part of these totals was provided by sellers of commercial and industrial equipment. Grocery wholesalers had more employees (373) but a smaller estimated payroll ($1.6 million). Another important group was motor vehicle and automotive equipment with 392 jobs and an annual payroll estimated at more than $1.9 million.[5]

Recent data on volume of sales are not available, but some idea of the volume can be gained from 1963 figures. These are summarized in Table 24.

Between 1962 and 1967, employment increased 17 percent and payroll 30 percent. Employment gains were noted in the wholesaling of motor vehicles and auto equipment and in machinery; but there was an employment decline in the wholesaling of groceries. For the first time the wholesaling of electrical goods was important enough to be singled out as a category in the statistics. There were 11 units reporting 149 employees. Another interesting development was the shifting of location toward Somerset County. Although there was no net change in the number of wholesaling units reported between 1962 and 1967, Cambria County lost 10 and Somerset County gained 10 during that period. With a Pennsylvania Turnpike interchange at Somerset, this was a likely development. Reconstructed U. S. Route 219 has not yet been completed between Johnstown and the Turnpike.

It is estimated that by 1975 a combined total of 13,700 persons will be employed in retail and wholesale trade. This estimate is based on an expectation that the population decline will have halted, and that jobs and incomes in other sectors will increase. Population movement from city to suburb and the trend toward longer store hours should help to increase employment in retail trade. Little change in skill needs is expected in either retail or wholesale trade.

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[5] U. S. Department of Commerce, County Business Patterns, Table 2.

TABLE 24

VOLUME OF WHOLESALE SALES BY TYPE:
JOHNSTOWN LABOR MARKET AREA, 1963

Kind of Business	Sales ($000)
Motor vehicles, automotive equipment	10,164
Drugs, chemicals, allied products	3,280
Dry goods, apparel	824
Groceries and related products	34,290
Electrical goods	12,832
Home, plumbing, heating equip., supplies	3,836
Machinery, equipment, supplies	15,508
Metals, minerals	6,886
Petroleum bulk stations, terminals	14,726
Scrap, waste materials	796
Tobacco, tobacco products	6,124
Beer, wine, distilled alcoholic beverages	8,695
Paper, paper products, exc. wallpaper	3,245
Lumber, construction materials	9,024
Other miscellaneous products	4,412
Wholesale trade, total	136,404

Source: U. S. Department of Commerce, Bureau of the Census, Census of Business, 1963: Wholesale Trade--Pennsylvania, BC63-WA40, Table 5.

Trucking and Warehousing

At least one distribution operation has recently come into the area because of the conjunction of the new U. S. 219 and the Pennsylvania Turnpike. White Cross Stores, Inc., an eastern seaboard discount drug chain, established at Somerset a warehouse distribution center to serve its stores from Connecticut to Virginia. This warehouse is in partial operation now. Although highly automated, it is currently employing over 30 workers and more will be added when it gets into full operation.

Somerset has a relay trucking terminal (but not pick-up and delivery service), and is presently offering 24-hour service to New York City and other major eastern markets, 36-hour service to Louisville and Cincinnati, and 48-hour service to Chicago.

The fact that U. S. 219 is now open north of Johnstown, connecting it with U. S. 22, is already beginning to show some economic effects. A manufacturing activity quite similar to a warehousing activity, a cola works, begun by a group of franchise holders in Maryland, West Virginia, and Pennsylvania, has been located along U. S. 219. Ultimately, this route will run between Bluefield (on the border between West Virginia and Virginia) and Buffalo, New York. It should be open from Somerset to the Maryland line by 1971. Completion of the section between Johnstown and Somerset is scheduled for Fall, 1969.

More than 1,300 jobs in trucking and warehousing, with an estimated annual payroll of more than $8 million, were reported for Cambria and Somerset counties in 1967. This is a sharp gain over 1962 reports, when 764 jobs with a payroll of about $3.6 million were reported. Some 930 of the 1967 jobs were provided by local and long-distance trucking operations in Cambria County.

The speed and cost of motor freight service are vital to industrial development, and speed of postal service is equally important to certain types of white-collar operations (such as district offices of insurance companies). Johnstown's past experience is not likely to be representative of future experience in view of the reconstruction of U. S. 219; but it would be appropriate to review the adequacy of these services when the route is completed as far as Somerset, as one aspect of determining Johnstown's competitive position for industrial development.

As far as employment in the transportation industries themselves is concerned, there are several reasons why employment should continue to grow rapidly. Employment in the trucking firms presently in the Johnstown area should increase as demand for their services increases, and additional trucking services should become available. Moreover, cost-cutting technology and growing freight traffic on the railroads should combine to slow down, or even reverse, the decline in railroad employment that has occurred in past years.

Recreation-Oriented Industries

The types of business that are directly oriented toward recreation activities include amusements such as commercial sports, country clubs, public golf courses, swimming pools, boat rentals, bowling alleys, bands and orchestras, entertainers, dance halls, dance schools, amusement parks, concessions, carnivals and fairs, tourist attractions, natural wonders, and motion picture theaters.

Other types of business related or complementary to recreation activities include hotels, motels and other lodging places, trade, and personal services (such as laundries, cleaners, beauty and barber shops). Trade was discussed at some length above, where it was noted that neither retail nor wholesale trade has shown a vigorous growth pattern, the local economy has not been supplying the support necessary to develop such a pattern, and the area has not been attracting outside shoppers consistently in large numbers.

Development

Extent of Present Development

The employment and number of units in amusements, personal services, and hotels and other lodging places are tabulated in Table 25 below. Since the data on which this table was based were reported as of the middle of March, they do not reflect either expanded summer activities or peak winter activities, with one exception that will be described later.

TABLE 25

RECREATION-ORIENTED SERVICES, EXCEPT TRADE:
NUMBER OF EMPLOYEES AND REPORTING UNITS,
JOHNSTOWN LABOR MARKET AREA, 1962 and 1967

Type of service	No. of employees, mid-March		No. of reporting units	
	1962	1967	1962	1967
Amusements	345	317	62	60
Motion pictures	107	D	20	13
Hotels, *etc*.	362	803	68	62
Personal services	713	819	172	180

D = Date withheld to avoid disclosure of confidential information.

Source: U. S. Department of Commerce, Bureau of the Census, *County Business Patterns*, 1962 and 1967 editions, Table 3.

The table shows that between 1962 and 1967 the number of units declined in three of the four industry groups listed. Only the number of personal service units increased, and that gain was small. As for the number of employees, those engaged directly in amusements declined, but those engaged in personal services increased rather substantially.

A late-winter festival probably accounts partly for the curious development by which the number of reporting hotels, motels, and other lodging units declined, although their employment increased by more than 100 percent. Somerset County produces a high proportion of Pennsylvania's output of maple syrup and annually holds a maple syrup festival, the starting date of which for 1969 was March 16. Employment data used here are gathered for the pay period nearest the fifteenth of March. That festival preparations are probably reflected in these figures is confirmed by the fact that of the 803 jobs provided by hotels and motels in March, 1967, 463 were provided by Somerset County and only 340 by Cambria County, although the latter had more units. Another factor in the high March employment figure may be the practice of visitors to stay at Somerset lodgings while visiting the year-round resorts of the area, the facilities of which are not restricted to resort guests. From 1962 to 1967, there was a decline in Cambria County in number of units, but an increase in Somerset County.

Amusement enterprises apparently cater to the permanent population rather than to visitors. They continue to be concentrated in Cambria County and have not developed in Somerset County in recent years.

Somerset County and a small portion of Cambria County lie within the Southern Laurel Highlands, which also include parts of Fayette and Westmoreland counties west of the Johnstown area. The Highlands have been the scene of considerable interest and investment in recreation industries in recent years, and certain parts (such as Ligonier) have been used for recreation purposes by Pittsburghers for generations. The Seven Springs resort has been in Westmoreland County for perhaps only 40 years, but has become nationally famous only in the last decade through a concerted advertising campaign, and is now very large. It borders Somerset County on the west, and another large resort--Indian Lake--lies within the County; but much of the recent activity has taken place west of the Johnstown labor market.

The Underdeveloped Potential

The rugged terrain of Appalachian Pennsylvania has preserved some of the most beautiful wilderness country in the east in the Southern Laurel Highlands. One study makes it clear that is it not isolation from large population centers that has held back recreational development here.[6] The area has had excellent linkage with these centers by means of major highways for several years. As the Seven Springs advertising puts it, the area is one hour by auto from Pittsburgh or Cumberland, two from Wheeling, three from Cleveland, four from Erie, Baltimore, or Washington, and five from Philadelphia (see Map 10).

The drawbacks to development are not unique to the Johnstown area--they are shared by the entire Highlands region and by other parts of Appalachia. One is the lack of sufficient water surface areas to accommodate the demand for water sports. Another is the lack of interior, scenic, recreational roads (as distinguished from highways designed to facilitate commercial and industrial use). A third is pollution of streams by acid mine drainage. Somerset County has the doubtful distinction of having "the most obviously acid stream in the [Southern Laurel Highlands] study area,"--the Casselman River. With some of its tributaries, it is polluted for 28 miles, threatens the acid balance in the Youghiogheny Reservoir at times, reduces the quality of water downstream, increases water processing costs of industries and communities, and stains the rocks in its bed pink and red from the caustic action of the acid.

The study mentioned above suggests that Ohiopyle in Fayette County serve as the major recreation development of the entire Highlands region, with the area around Confluence being developed more than it now is as a satellite complex (Map 11). Another complex is suggested west of the borough of Somerset.

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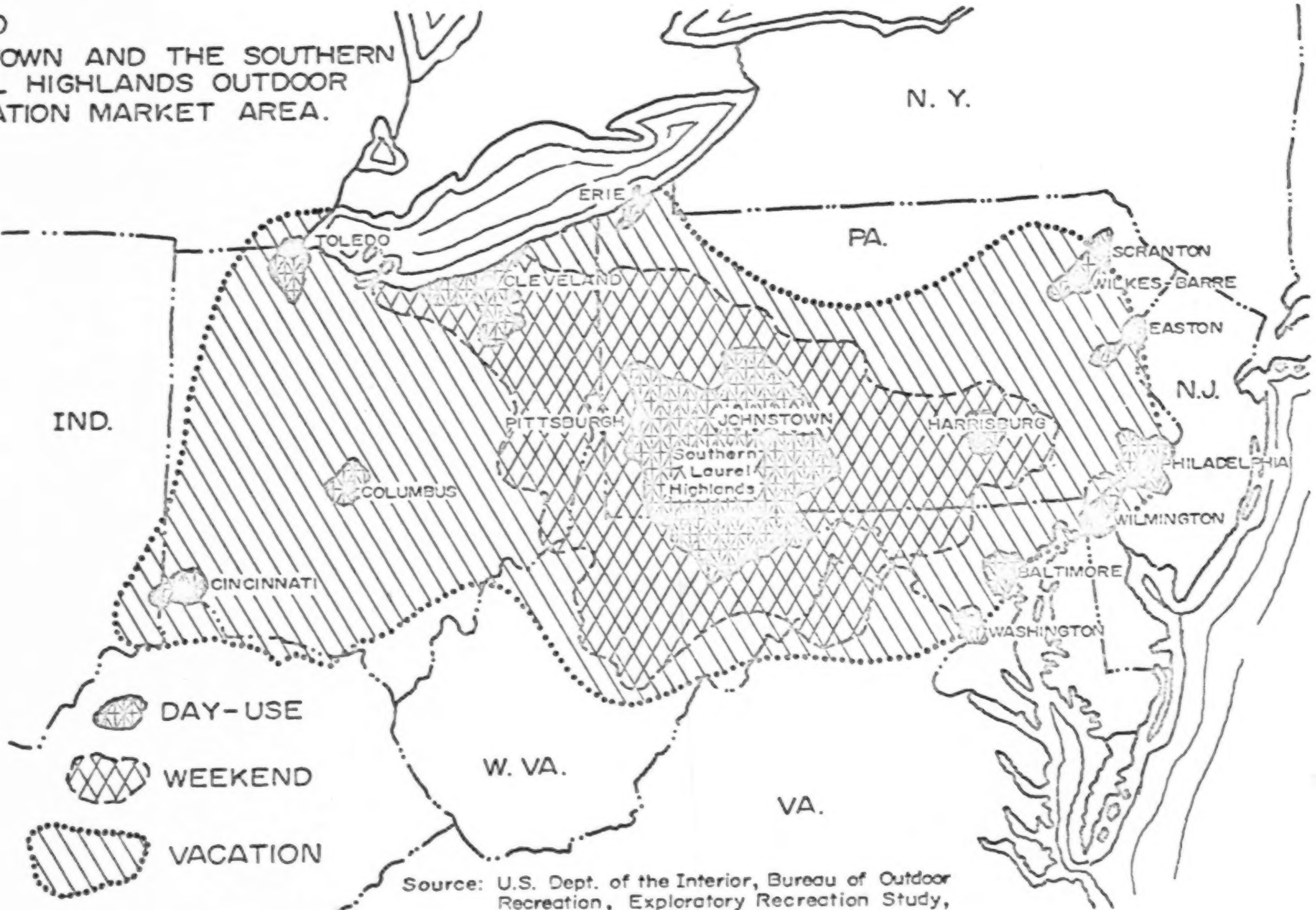
[6] U. S. Department of the Interior, Bureau of Outdoor Recreation, Exploratory Recreation Study--Southern Laurel Highlands of Pennsylvania, 2 vols. (1964), see especially Vol. 1, pp. 9-12, 29-38.

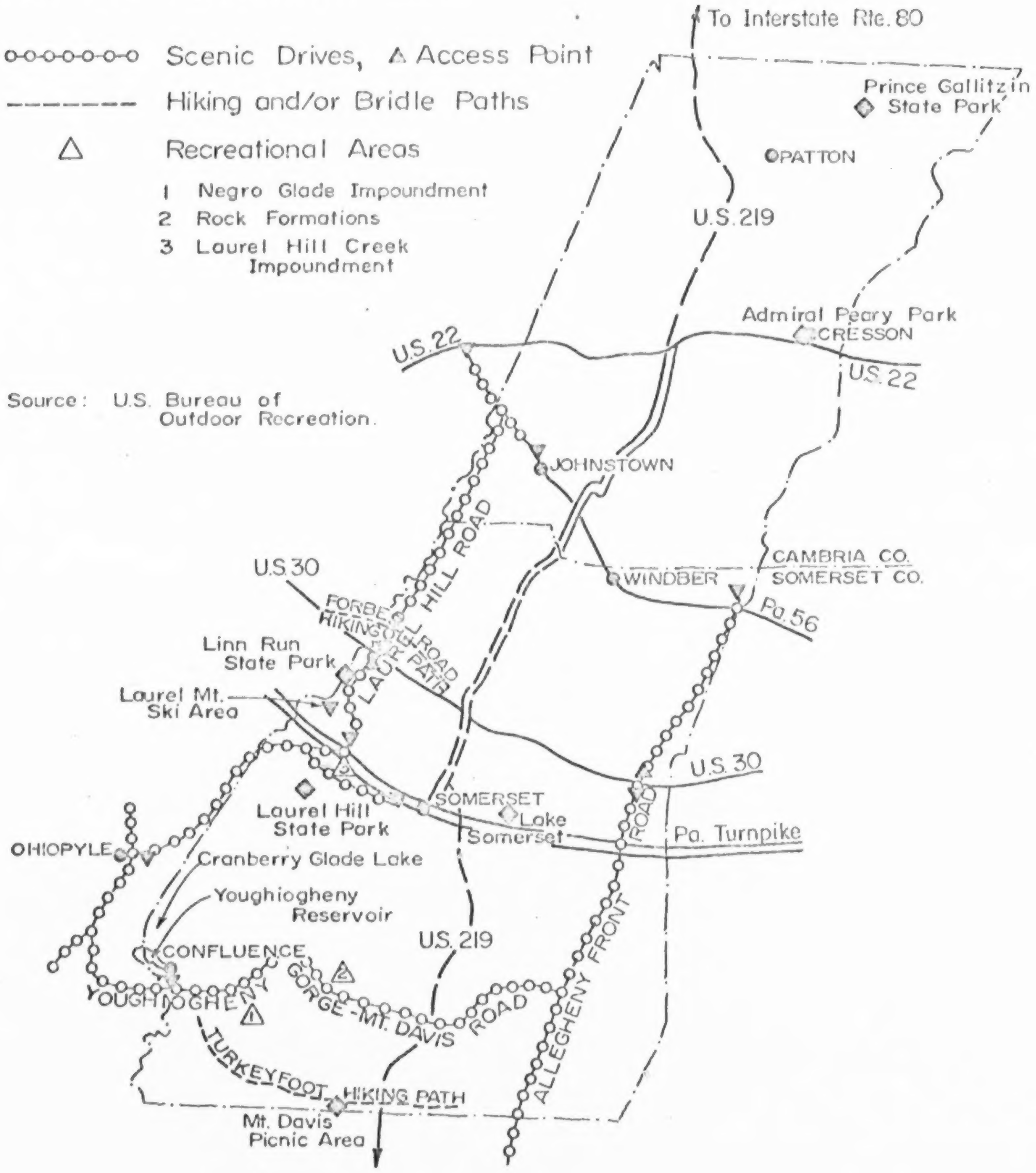
MAP 10
JOHNSTOWN AND THE SOUTHERN LAUREL HIGHLANDS OUTDOOR RECREATION MARKET AREA.


N. Y.
PA.
ERIE
TOLEDO
CLEVELAND
SCRANTON
WILKES-BARRE
EASTON
N.J.
IND.
PITTSBURGH
JOHNSTOWN
Southern Laurel Highlands
HARRISBURG
PHILADELPHIA
COLUMBUS
WILMINGTON
CINCINNATI
BALTIMORE
WASHINGTON
DAY-USE
WEEKEND
VACATION
W. VA.
VA.

Source: U.S. Dept. of the Interior, Bureau of Outdoor Recreation, Exploratory Recreation Study, Southern Laurel Highlands of Pennsylvania, 1964, Vol. I, opp. p. 12.

MAP 11

SCENIC DEVELOPMENTS PROPOSED FOR THE JOHNSTOWN AREA


o-o-o-o-o-o-o Scenic Drives, ▲ Access Point
------- Hiking and/or Bridle Paths
△ Recreational Areas
1 Negro Glade Impoundment
2 Rock Formations
3 Laurel Hill Creek Impoundment
To Interstate Rte. 80
Prince Gallitzin State Park
PATTON
U.S. 219
Admiral Peary Park
CRESSON
U.S. 22
U.S. 22
JOHNSTOWN
LAUREL HILL ROAD
CAMBRIA CO.
SOMERSET CO.
WINDBER
Pa. 56
U.S. 30
FORBES ROAD
HIKING OR BRIDLE PATH
Linn Run State Park
Laurel Mt. Ski Area
U.S. 30
ROAD
Laurel Hill State Park
SOMERSET
Lake Somerset
Pa. Turnpike
OHIOPYLE
Cranberry Glade Lake
Youghiogheny Reservoir
CONFLUENCE
U.S. 219
YOUGHIOGHENY
GORGE - MT. DAVIS ROAD
ALLEGHENY FRONT
TURKEYFOOT HIKING PATH
Mt. Davis Picnic Area

Source: U.S. Bureau of Outdoor Recreation.

If Laurel Hill Creek were impounded, it could serve as the nucleus of a complex which could draw on existing and proposed public and private developments in the vicinity, provide a major water surface area adjacent to a proposed scenic road, and be accessible from the Pennsylvania Turnpike by means of the Donegal and the Somerset interchanges.

A third complex is suggested for development, beginning with the impoundment of Loyalhanna Creek at Ligonier. (As was previously noted, Ligonier even now is trade-oriented toward Johnstown.) This complex would extend west as far as Greensburg and Latrobe, and east to the city of Johnstown, and would include the southwest corner of Cambria County. The Conemaugh River Gorge is recommended as a scenic preservation area.

Stony Creek, which lies between Berlin in Somerset County and the city of Johnstown, "could prove to be extremely important to the future of recreation in the Southern Laurel Highlands."

Three scenic roads are proposed for development in Somerset County (in addition to other such roads in other parts of the Highlands). One would follow the crest of Laurel Hill on the County's western border; another would lie parallel to the Allegheny Front at or close to the County's eastern border; and the third would link these two and also provide access to the Youghiogheny Gorge, the Casselman River (certain parts of which are recommended as scenic preservation areas), Fort Hill, and Mount Davis. The relationship between these proposed roads and the commercial highway system is shown on Map 11.

A very recent development in the northern part of Cambria County is extremely important to the economy of the Johnstown area. This is the development of Prince Gallitzin State Park, covering 6,600 acres and having one of Pennsylvania's largest lakes. Glendale Lake has 26 miles of shoreline and gives power boats an uninterrupted run of nearly 8 miles. There are also numerous quiet inlets for canoeists and facilities for other water sports. Development of this park, which is already in use, will take several years. A special feature will be a Naturealm established beside Glendale Lake, which will enable visitors and students to observe wild life in a natural habitat and will provide extensive nature study facilities, including educational courses.

With the state parks existing and proposed, state forests, and state gamelands in the area, appropriate development could tap a very large recreation market coming from all four sides. In the Southern Laurel Highlands study it is estimated that the area could draw from a potential of 13.2 million day-use outings, 24.4 million weekend-use outings, and 27 million vacations a year. The study also provides some estimates of the number of jobs and the income that might be generated by various levels of development in that area; inventories the points of interest and the existing facilities; and in general serves as a working guide for planning and action.

Support to development along these lines is provided by a recent water resources study of the Pennsylvania State Planning Board.[7] This study provides a list of top-priority development projects for consideration by the U. S. Army Corps of Engineers, estimates costs and benefits, and projects possible employment and payrolls resulting from such development. Among the top-priority projects is one to abate mine drainage into the Casselman River (cost: $5 to 7 million); impoundment of waters in the upper Loyalhanna Creek watershed, including creation of a 540-acre reservoir (the project, with seven structures, to cost $7.6 million); development of Stony Creek (to cost $7.8 million, with five structures); and development of the Naturealm (to cost an estimated $9.5 million). Some concept of what these projects could mean to the local economy is provided by estimates for the

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7. Pennsylvania State Planning Board, Pennsylvania State Water Resources Supplement to Report for Development of Water Resources in Appalachia, submitted to the U. S. Army Corps of Engineers (1968), especially pp. 68, 87, 88, 95, 99.

Naturealm portion alone of the Prince Gallitzin Park development. When completed, the Naturealm is expected to provide 438 annual-equivalent jobs directly, an equal number of jobs in supporting commercial activities, and perhaps 1,700 more jobs from private development. The annual payroll is estimated at $4.5 million.

The Employment Outlook

It is difficult to see how a great deal of job expansion can take place locally in recreation and related industries by 1975. All three of the principal industry sectors should experience growth, however, and it could amount to an average increase of perhaps 10 percent. Hotels and other types of lodging places should add employment, if not so fast as they have in recent years. More leisure time and more disposable income should require the employment of more workers in the amusement industry. These factors should also generate more jobs in the personal services sector. Little change in occupational requirements for the recreation industries is anticipated. For the years beyond 1975, the recreational industries could become considerably more important to the economy of the Johnstown area not only in terms of jobs, but also in terms of personal income and of local spending by visitors from other areas.

Medical and Health Facilities

It might be assumed that the hospital and medical service facilities of the Johnstown area were designed to take care of a large number of miners and other workers in hazardous occupations. and that with a drastic reduction in both the number of miners and the total population the health service establishment would now be either too large or too obsolete for today's needs.

It is true that several hundred hospital beds need to be modernized, that there is no overall need for additional beds, and that certain other facilities should be updated--some on a high priority basis. It is also true that the area has a high proportion of elderly residents and not enough facilities for longterm hospital or nursing home care. But much has already been done to improve the medical services in the area, much is now being done, and more is in prospect. As of 1968, only 46 excess hospital beds were reported for the entire two-county area.[8]

In fact, medical and other health services have proved to be one of the most rapidly growing sources of employment for this area during the past few years. As a whole, they have increased employment more than one-third between 1962 and 1967, and they accounted for some 3,500 jobs in the latter year. Hospitals alone provided 2,800 jobs, which was 27 percent more than they provided five years earlier. Employment in offices of physicians and surgeons went up 27 percent in that period, and employment in the offices of dentists and dental surgeons increased 8 percent.

Payrolls associated with these jobs made increases little short of spectacular. In the first quarter of 1967, for the group as a whole, they were 84 percent higher than they had been in the same quarter of 1962. Hospital payrolls alone gained 89 percent; but payrolls for offices of physicians and surgeons increased 57 percent; those for employees of dentists and dental surgeons increased 49 percent; and those for other health and allied services increased 51 percent.[9]

These gains were accomplished by enlargement of existing operations rather than by the addition of new ones. The number of hospitals remained the same; but the number of physicians' and surgeons' offices, dental offices, and health-related units reporting employment declined.

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[8] Pennsylvania Department of Public Welfare, Pennsylvania State Plan for Hospital and Medical Facilities for fiscal year 1968.

[9] U. S. Department of Commerce, County Business Patterns, Table 3.

The increase in usage can be attributed partly to the spread of medical insurance programs. It is generally true that individuals make more use of health services now than they did even a few years back, and so the population loss would not result in an equivalent drop in facility usage. It is also generally true that comparatively little dental work now qualifies for medical insurance benefits, which may account for the much slower growth of employment in this particular type of health service. By and large, it is the hospitals that have benefited most directly from the insurance programs, and they have also benefited from a number of Federal and State government programs.

For example, during the five-year period under consideration here, what are known as the "Hill-Harris Amendments" made Federal funds available for the first time specifically for modernization of existing hospital facilities; the Medicare and Medicaid programs were started; and the Accelerated Public Works Program enabled the Lee Hospital in downtown Johnstown to clear a site and start expansion in conjunction with an urban renewal project.

The question of why several hospitals remain in the core city when the population has moved to the suburbs was answered recently by the administrator of the Conemaugh Valley Memorial Hospital on a television program. Good hospital practice today, he said, places a hospital within half an hour's driving time from the patient's home. By this criterion, the city hospitals serve the suburban population adequately. Moreover, current investment, he estimated, runs about $13,000 a bed, and relocation costs would run about $40,000 a bed.

Three service areas can be distinguished for the short-term general hospitals. The southern half of Somerset County is served by community hospitals at Meyersdale and Somerset. The northern half of this county and much of Cambria County are served by six hospitals: one at Windber, four in the city of Johnstown, and one north of Johnstown at Colver. The upper third of Cambria County is served by the hospital at Spangler. None serves any appreciable number of patients from outside of the counties (except for Turnpike casualties), and residents of these counties use hospitals outside of the area only for certain types of special service.

In addition to the general, acute-care hospitals, there are five other institutions in the Johnstown area that contribute to the local economy in a somewhat different way. These are the Somerset State Hospital, the Cresson State School and Hospital, the Ebensburg State School and Hospital, the Youth Development Center at Cresson, and the Vocational Rehabilitation Center at Johnstown. All are operated by agencies of the Pennsylvania State Government. They differ from the short-term general hospitals in that they do not serve the local population primarily; rather their patients come from elsewhere in the Commonwealth. They serve the mentally ill, the mentally retarded, delinquent youth, and the physically handicapped. Except that they do not pay local taxes, their contribution to the Johnstown economy is more like that of the steel industry--they are financed and controlled from outside the area, and they "export" their "product" from the area. They do contribute to the local area a substantial number of jobs and payroll, and that much-needed quality of stability. Some of these facilities are now being expanded to meet the needs of Pennsylvania's population, and their future contribution to the economy of this area should be even larger than it is at present.

Not all of the needs of the local area for certain types of facilities are going to be met by the plans so far announced. In particular, there is still going to be a need for additional facilities for long-term, convalescent, and nursing home care.

It is estimated by the Pennsylvania Department of Public Welfare that by 1972 there will be several thousand persons aged 65 and over in Cambria and Somerset Counties--about 3,000 within the service area of the hospital at Spangler; nearly 21,000 within the service area of the Colver, Johnstown and Windber hospitals; and 3,000 in the area served by the Somerset and Meyersdale hospitals. It would appear that this situation might offer some opportunity for developing more private nursing home facilities here than now exist.

Medical and other health services have continued to increase employment in the Johnstown area despite a large loss of population. Since no additional loss is expected in the years immediately ahead, and since demand for health services will be stimulated by the Medicare program, by extension of hospital insurance programs, and by projected increases in the range of hospital services, the demand for employees should continue to increase. It seems not unreasonable to expect that 1975 employment for this group of service industries will be nearly 50 percent higher than 1967 employment.

Educational Services

Early in 1967, there were over 500 jobs providing educational services to the inhabitants of the two-county Johnstown labor market area. This was an increase of more than 100 percent over the number provided five years earlier and the payroll was 150 percent higher. The employees counted included all who were covered by Social Security--employees of public, sectarian, and other private elementary and secondary schools; schools and training centers for retarded children; business, other vocational and music schools; and the colleges in the area, of which there are three.

Mount Aloysius at Cresson is a two-year women's junior college. St. Francis at Loretto offers bachelor's and master's degree programs. The University of Pittsburgh at Johnstown offers two-year programs, but, by the Fall of 1969, will be offering four-year programs leading to the bachelor's degree. Both of the latter colleges are coeducational.[10] The colleges contribute to the local economy in several ways. Primarily, they raise the educational level--and therefore the employability--of the local population. Secondarily, they generate jobs necessary to supply the services required by the student body and the colleges themselves. Third, the community benefits from local spending by the colleges for their facilities and by several hundred dormitory students. Area industries are likely to find it convenient to have at hand some of the special skill resources offered by college faculty; but these colleges are not likely to generate "academic spin-off firms," private enterprises stemming from research and development that are started by college faculty and staff with special qualifications. It takes a large university, with extensive research facilities of its own, to breed such activities or to attract to the area companies who wish to take advantage of such specialized knowledge.

Nevertheless, several factors should combine to increase the number of jobs in educational services. For one thing, an increase in population is forecast which is expected to increase the demand for educational services. For another, young people are expected to remain in school longer, generally. Finally, the projected expansion of the facilities of the University of Pittsburgh at Johnstown will provide more employment, although some of these jobs will be filled from outside of the local area.

Other Services

Several hundred local jobs each are provided by the General Telephone Company, the home office of the Pennsylvania

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[10] Pennsylvania Department of Public Instruction, Colleges and Universities in Pennsylvania (1967).

Electric Company, and banking, credit, and insurance firms. Unpublished records show that they have expanded employment substantially in recent years, providing stability as well as growth.

It is not likely that much additional increase in employment will take place in the communications and utilities sectors. Although the demand for the services provided by these industries will most certainly increase, technological change is expected to curtail the employment effects of the increased demand.

As for the finance, insurance, and real estate industry group, employment has grown despite the fact that some conditions that normally influence these industries favorably were not present. Population and income growth are basic influential forces, and both have been absent here. Nevertheless, other factors seem to have outweighed them: the growing acceptance of checking deposits and the increased life expectancy of individuals, which has affected insurance purchases.

It is expected that employment in the finance, insurance, and real estate group will continue to increase, although not so fast perhaps as in the past. The demand for banking and finance services and the continuing trend toward greater use of checking accounts and credit will increase employment in this sector--although output will increase faster than employment as activities are computerized.

Any substantial growth in the insurance segment will depend upon whether the economic activity of the area improves to an extent that will attract individuals between 19 and 44 years of age to the area. These are the prime insurance buyers.

Some increased employment in real estate should result from the increase that is expected in construction activity. Over 89 percent of the dwelling units in the City of Johnstown were built before 1939; over 20 percent of Cambria County's occupied housing units are in substandard condition. If Johnstown is to grow with the rest of the economy, it must attract new industry;

and if it is to attract new industry a good deal of housing construction as well as road construction (such as the proposed Kernville elevated highway) will have to be undertaken. Thus the prospects are good for a sharp increase in employment in construction, and an increase in real estate services also.

CHAPTER 18

PERSONAL INCOME AND AREA BUYING POWER

The money income of individuals is one of the best indicators of the economic health of an area. Viewed from the perspective of the person who receives it, income reveals much about consumer markets, purchasing power, and--on a per capita basis--living standards and general welfare. Viewed from the perspective of sources of payment, personal income reveals much about the relative importance of the various parts of a particular area's economy as a means of support to the people who live there.

The level, shares, and sources of personal income as they are now, especially from the recipient's viewpoint, have been dealt with in the preceding sections of the report covering employment and poverty levels in the Johnstown area. This section shows how personal income has changed over the years in the Johnstown area and compares these changes with those of some other areas. It also examines the components that make up total personal income. Comparisons are made of Johnstown with a group of labor market areas in Pennsylvania whose population in 1960 approximated that of the Johnstown area. In addition, Johnstown is compared with the Altoona area, even though the latter's population was less than half of Johnstown's in 1960, because the two areas are geographically close and because they share certain other characteristics. The labor market areas to be considered, and their population, are as follows:

Area	1960 Population
Erie	250,682
Lancaster	278,359
Reading	275,414
Scranton	234,531
York	238,336
Altoona	137,270
Johnstown	280,733

Personal income covers all wage and salary payments, labor fringe benefits, the earnings of business proprietors and self-employed persons, and the returns to property owners in the form of rent, interest, and dividends. In addition, personal income includes some payments not made for productive activity or compensation for services rendered (called "transfer payments") such as social security benefits, unemployment compensation, public welfare, military pensions, and veterans' allowances. Personal contributions to social insurance are also payments made on behalf of an individual; but they are deducted before wage payments are made, and so they reduce what is paid out to him by the amount of the contributions. These are shown in the tables below as a deduction from the personal income total. These tables cover the seven-year period between 1959 and 1966.

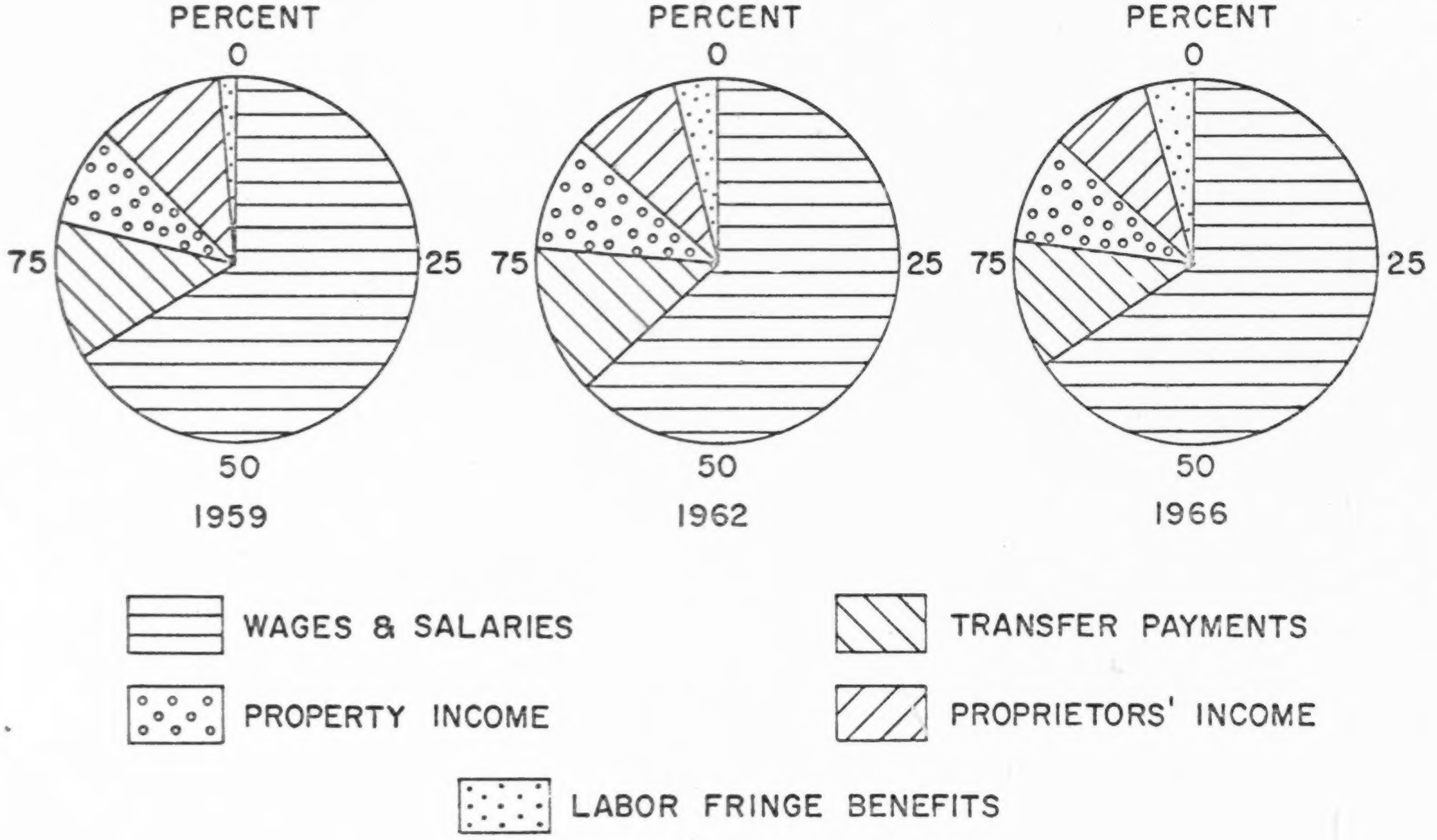
These seven years began and ended in times of national economic expansion. In between the terminal dates, however, there were some rather disturbing developments. A prolonged industrywide steel strike occurred in 1959; a national recession took place in 1960 and 1961; and in 1962 the steel industry suffered badly from slackened demand. By the end of 1966 the Nation had had five years of uninterrupted improvement in economic conditions and Johnstown had had four. Some of the effects of these fluctuations on Johnstown's economy can be traced in the figures in Table 26.

Development of Personal Income in the Johnstown Area

Between 1959 and 1966, personal income in the Johnstown labor market increased 37 percent--from $429.7 million to $586.8

FIGURE 17.

PERCENTAGE DISTRIBUTION OF PERSONAL INCOME
JOHNSTOWN LABOR MARKET AREA, 1959-1966



SOURCE: TABLE 26.

TABLE 26

PERSONAL INCOME BY MAJOR TYPE OF PAYMENT,
JOHNSTOWN LABOR MARKET AREA
SELECTED YEARS, 1959-1966

Type of Payment	Millions of Dollars				Percent of Total			
	1959	1962	1965	1966	1959	1962	1965	1966
Total personal income	429.7	464.1	547.9	586.8	100.0	100.0	100.0	100.0
Wages and salaries	285.6	301.3	367.8	399.6	66.5	64.9	67.1	68.1
Other labor income (fringe benefits)	14.2	16.1	22.2	24.1	3.3	3.5	4.0	4.1
Proprietors' income	45.7	44.7	51.5	52.9	10.6	9.6	9.4	9.0
Property income	38.5	49.0	56.3	60.5	9.0	10.6	10.3	10.3
Transfer payments	54.7	63.8	64.6	68.9	12.7	13.8	11.8	11.7
Less: Personal contributions to social insurance	-9.1	-10.9	-14.5	-19.3	-2.1	-2.4	-2.6	-3.3

Source: U. S. Department of Commerce, Office of Business Economics, Regional Economics Information System (unpublished), Tables 5.00 and 5.03.

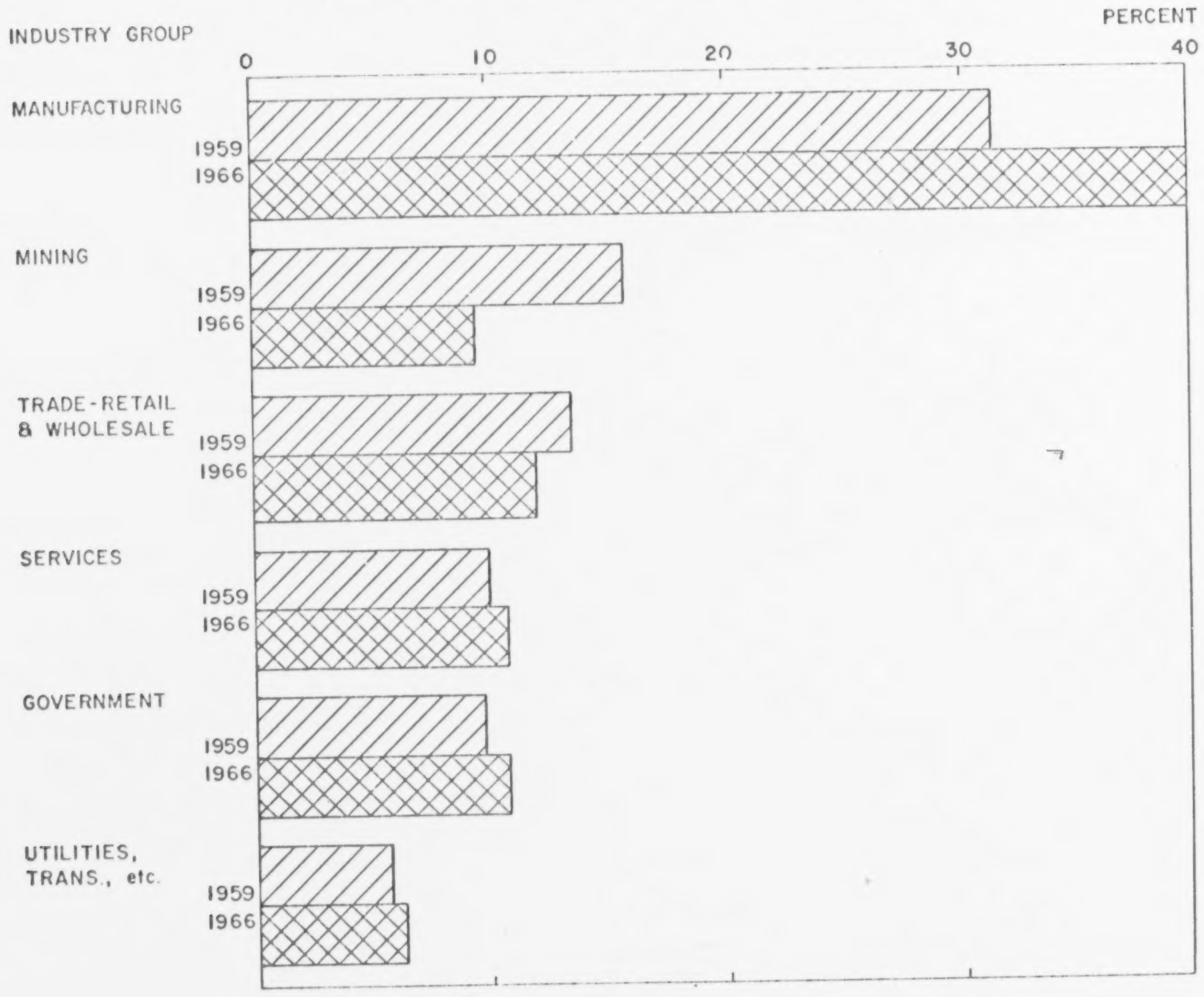
million. The major types of payments that made up these totals, and comparable figures for two intervening years, are shown in Figure 18. The share of total income represented by various components has also changed. The changes in relative importance are as follows:

> Labor income (wages, salaries, and fringe benefits)
> increased as a percentage of total;
> Property income increased;
> Proprietors' income declined;
> Transfer payments increased or declined depending
> upon whether economic conditions were bad or
> good;
> Deductions for social insurance contributions increased.

Labor income and proprietors' income together accounted for more than four-fifths of all Johnstown's personal income in 1966. The sources of this kind of income can be identified by industry type, and the relative importance of the various types are shown as percentages of all earned income. These identifications are made in Table 27.

This table shows also that there was a decided shift in the importance of several groups between 1959 and 1962. The basic extractive industries (especially mining) contributed a much smaller share of labor income in the latter year. Manufacturing industries became considerable more important. After 1962, both remained comparatively stable. For the period as a whole, two groups held steady: construction; and the finance, insurance, and real estate group. The modest gain in the importance of the noncommodity or "servicing" industries that took place between 1959 and 1962 was subsequently lost. Within this group, services and government (especially state and local government) became more important over the seven years and trade and utilities became less so. Table 27 does not, of course, show whether either the dollar volume of earned income of the number of employees has increased or decreased, nor does it show whether any particular industry or industry group is growing or declining. It shows only the extent to which the area depends for income on that industry at that point in time.

FIGURE 18.
INDUSTRIAL SOURCES AS PERCENTAGES OF EARNINGS
JOHNSTOWN LABOR MARKET AREA, 1959-1966



SOURCE: TABLE 27.

TABLE 27

INDUSTRIAL SOURCES OF EARNED INCOME, PERCENTAGE DISTRIBUTION, JOHNSTOWN AREA, 1959-1966

	Percentage of Earned Income			
	1959	1962	1965	1966
Total labor and proprietary income	100.0	100.0	100.0	100.0
Extractive industries	16.6	10.7	10.7	10.7
Farming	2.6	1.8	1.9	1.8
Mining	14.0	8.9	8.8	8.9
Manufacturing and construction	36.6	41.0	43.4	43.2
Manufacturing	32.6	37.0	39.7	39.0
Contract construction	4.0	4.0	3.7	4.2
Noncommodity industries	46.8	48.4	45.9	46.1
Trade (wholesale and retail)	16.9	15.8	14.5	14.0
Finance, insurance, real estate	2.5	2.5	2.5	2.4
Transportation, communications, public utilities	7.9	8.4	7.4	6.9
Services	9.8	10.6	10.6	11.2
Government[a]	9.5	10.9	10.8	11.5
Other	0.2	0.2	0.1	0.1

[a] Includes government-operated enterprises where fees cover only a nominal part of operating costs.

Source: U. S. Dept. of Commerce, Office of Business Economics, Regional Economics Information System (unpublished), Table 5.04. Subtotals calculated.

When the percentage distribution of earned income by source for a given area is compared with that for the Nation, it is possible to judge the extent to which the area has become specialized. In the earlier section of this study dealing with population and labor force, it was pointed out that the contribution of manufacturing to total personal income is much greater in Johnstown than in the country as a whole. This is true because a much higher percentage of the Johnstown area's workers are employed in manufacturing than is the case in the Nation and because the manufacturing sector in Johnstown pays higher wages than the average for the Nation. Table 27 reveals that Johnstown's economy has become even more specialized in manufacturing than it was as recently as seven years ago.

That it is not yet as specialized in manufacturing as some other areas of about the same size in Pennsylvania is shown in Table 28. Personal income derived from manufacturing accounts for 40 percent of total personal income in Lancaster, York, Reading, and Erie as against 32 percent in Johnstown.

Among the metropolitan areas shown in Table 28, Johnstown is unique in deriving the largest percentages of personal income from mining and from transfer payments (although Scranton and Altoona are almost dependent on transfer payments). Johnstown also has the smallest percentage of income from property (an indirect clue to low income in the area). It is noteworthy that this area derives a larger percentage from government sources than all but one other area (Scranton). Certain peculiarities of the other areas stand out: for example, Lancaster's high proportion of farming income (it is one of the richest agricultural counties in the Nation); Altoona's high proportion of transportation income (because of the Penn-Central Railroad's car shops); and Scranton's very small proportion of mining income (although it was once a center of anthracite production).

Johnstown has a small amount of personal income compared with other areas of roughly its population size. As compared with a total of $586.8 million in 1966 in Johnstown, Lancaster had

TABLE 28

PERSONAL INCOME BY MAJOR TYPE OF PAYMENT, JOHNSTOWN AND SELECTED OTHER LABOR MARKET AREAS: PERCENTAGES OF TOTAL, 1966

	Percentage of Total Income						
	Johnstown	Lancaster	York	Reading	Erie	Scranton	Altoona
Earned income	81.2	83.9	82.8	84.8	81.7	77.8	78.2
Farming	1.5	5.0	2.5	1.7	1.7	0.5	1.0
Mining	7.2	0.3	0.4	0	0	0.6	0.8
Manufacturing	31.6	40.8	40.0	42.0	42.7	30.1	24.8
Contract construction	3.4	5.3	5.7	4.0	4.6	3.1	3.4
Trade (wholesale and retail)	11.4	11.4	11.8	11.5	11.1	14.7	12.0
Finance, insurance, real estate	2.0	1.9	1.8	3.3	2.4	2.7	2.1
Transportation, etc.	5.6	4.0	4.7	5.1	4.8	7.4	16.2
Services	9.1	7.9	7.7	9.3	7.9	8.7	9.1
Government	9.3	6.9	8.0	6.6	6.4	10.0	8.6
Property income	10.3	12.6	13.0	10.9	13.9	14.3	14.2
Transfer payments	11.7	6.5	7.4	7.7	7.5	11.0	11.0
Less: Personal contributions to social insurance	-3.3	-3.1	-3.2	-3.3	-3.2	-3.2	-3.5

Source: U. S. Dept. of Commerce, Office of Business Economics, Regional Economics Information System, Table 5.03, various area reports (unpublished).

$766.3 million, York $881.0, Reading $857.6, and Erie, $776.3. Only Scranton was close, with $576.1 million. Altoona, being smaller, could be expected to have a smaller total and it did--$340.2 million. The areas with larger totals show larger dollar amounts coming from wages and salaries, fringe benefits, proprietors' income, and property income. Johnstown, significantly, had not only the highest percentage but also the largest dollar amount of all in transfer payments.

Moreover, most of the other areas have gained in personal income faster than has Johnstown. In the seven years from 1959 through 1966, Erie averaged an annual growth rate in total personal income of 7.6 percent, Lancaster 6.8, York 6.7, Reading 6.1, and Scranton 5.4. Johnstown's average was 5.2 percent and only Altoona's was lower, at 5.0 percent.

It will be seen that in all the areas personal income gained most slowly between 1959 and 1962, somewhat more rapidly between 1962 and 1965, and with real speed in 1966. However, so did the rise in consumers' prices, and a good deal of this "growth" is inflation. What is important here for purposes of this analysis is the fact that Johnstown was consistently slower-growing than any other area of comparable population size throughout the seven-year period, although it was sometimes able to stay ahead of its smaller neighbor, Altoona.

The major sources of growth in earned income (that is, income derived from labor and proprietorships) are identified in Table 30. It shows average annual rates of growth for selected components of this type of income over the 1959-66 period. In Johnstown, as in all the other areas, the fastest-growing industrial source was government--most decidedly the state and local part of it. It should be noted that "government" in this context means general government activities. Essentially these include all activities financed mainly by tax revenues and debt creation. In Johnstown this would include the state hospitals and school, and the vocational rehabilitation center, as well as the public

TABLE 29

AVERAGE ANNUAL RATES OF GROWTH IN TOTAL PERSONAL INCOME, JOHNSTOWN AND SELECTED OTHER LABOR MARKET AREAS, BY PERIODS AND RANK OF AREA, 1959-1966

Area	Rank in Average Annual Growth, 1959-66	Average Annual Rate of Growth					
		1959-1962		1962-1965		1965-1966	
		%	Rank	%	Rank	%	Rank
Erie	1	3.9	1.5	7.7	1	9.1	2
Lancaster	2	3.8	3	6.5	2	9.2	1
York	3	3.9	1.5	6.4	3.5	8.8	3
Reading	4	3.5	4	6.4	3.5	7.2	5
Scranton	5	3.4	5	5.0	7	7.9	4
Johnstown	6	2.6	6	5.7	6	7.1	6
Altoona	7	2.2	7	5.8	5	6.9	7

Source: Average annual rates of growth from R. E. Graham, Jr., and E. J. Coleman, "Metropolitan Area Incomes, 1929-66," *Survey of Current Business*, August 1968, p. 33. Rankings by inspection.

TABLE 30

AVERAGE ANNUAL RATES OF GROWTH FOR SELECTED COMPONENTS OF EARNINGS, JOHNSTOWN AND SELECTED OTHER LABOR MARKET AREAS, 1959-66

Area	Average Annual Percentage Change, 1959-66				
	Government	Manufacturing	Services	Trade	Farm
Johnstown	7.6	7.4	6.8	1.9	-0.5
Erie	7.6	7.3	5.2	3.9	8.1
Lancaster	7.5	6.5	6.2	3.2	0.4
York	7.1	5.9	5.6	5.1	0.6
Reading	7.8	6.1	5.3	4.0	1.3
Scranton	7.6	5.9	5.3	3.6	3.3
Altoona	7.5	7.2	6.0	3.3	3.3

Source: Ibid;, p. 39.

school system, and governing activities at all levels.

Johnstown has had the fastest annual growth rate of any of the areas in income from manufacturing sources, and this is true also for the service industries. On the other hand, Johnstown--in contrast to the other areas--has had a relatively low growth rate in wholesale and retail trade and has actually regressed in agriculture.

Shifts in Industry Groups as Source of Personal Income

Changes in the industrial sources providing the largest part of personal income, wages and salaries, can be traced from data compiled by the Pennsylvania Bureau of Employment Security. These data cover an estimated 80 percent of the work force. They do not include employees of railroads, nonprofit organizations, and certain types of government activities. Coverage, therefore, is not identical with the coverage in the personal income figures used in previous tables. Moreover, the BES data pertain only to the first quarter of each year and may therefore not be representative of other quarters of the year. The first quarters of 1960 and 1967 perhaps come closer to the years for which personal income totals are available than do quarters for other years; but the levels of national and local economic activity need to be kept in mind when these two quarters are compared.

During the first quarter of 1960, the U. S. economy was at a high level--the downturn for the 1960-61 recession did not occur until April of that year. Employment in the Johnstown area was better than it had been at any time since the 1957-58 national recession.

The first quarter of 1967 fell in the long, sustained period of national economic expansion that followed the recession of 1960-61. The economy of the Nation was at high level, but was reacting to various cooling-off measures applied during the latter half of 1966. As a result, industrial production was down, capital spending plans reflected caution, auto sales were poor, and

Pennsylvania steel production had declined for several months. The pause turned out to be short, and the economy resumed expansion. The employment level in Johnstown stayed well above where it had been during the first quarter of 1960; and the average workweek of factory production workers did not shorten appreciably here as it did elsewhere--although in Johnstown it had already been well below 40 hours. Activity was reduced below the very high levels of the third quarter of 1966; but, in the main, the area remained in comparatively good economic condition.

Between 1960 and 1967, then, the quarterly payroll for employment in insured industries[1] in Johnstown increased 16 percent, or more than $10 million. The two groups that in 1960 accounted for most of that payroll contributed very little to the increase: Mining accounted for less than half a million dollars; and the metals industries in fact declined in dollar volume. In contrast, the apparel industry accounted for well over $1 million of the gain and retail trade for nearly $2 million. Hotels, motels, and other lodging places together contributed more than mining, and so did wholesale trade and the finance, insurance, and real estate industry group.

By 1967 (see Table 31), primary metals and mining together accounted for 48.0 percent of the total payroll, instead of 55.8 percent. Both primary and fabricated metals declined in share, as did transportation equipment. Some small groups were moving up: Nonelectrical machinery rose from next to no share to nearly 2 percent, motor freight from 0.8 to 1.4 percent, apparel from 3.8 to 5.2. There were also signs of expansion in the leather products (shoe) group, rubber and plastics, and instruments.

Table 31 shows that there has not yet been much change in rank among the various industry groups. The chief exception is the

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[1] That is, industries subject to state unemployment insurance laws.

TABLE 31

RANKING OF SELECTED INDUSTRY GROUPS, JOHNSTOWN LABOR MARKET AREA, BY SHARE OF PAYROLL, FIRST QUARTER 1967

Industry Group	Percentage of Total Payroll	
	1960	1967
With 10% or more of total payroll:		
Primary metals	40.5	34.1
Mining	15.3	13.9
Retail trade	10.9	11.9
With 1-10% of total payroll:		
Apparel	3.8	5.2
Utilities (electric, gas, sanitary)	3.4	3.1
Wholesale trade	2.9	3.1
Finance, insurance, real estate	2.3	2.9
Transportation equipment	5.1	2.7
Food	2.2	2.1
Nonelectrical machinery	0.2	1.7
Communications	1.2	1.6
Motor freight	0.8	1.4
With less than 1% of total payroll:		
Hotels, motels and other lodging	0.3	0.9
Lumber and wood products	0.7	0.9
Printing and publishing	0.8	0.9
Personal services	0.8	0.8
Fabricated metals	1.4	0.8
Furniture and fixtures	0.3	0.6
Medical and other health services	0.3	0.6
Amusements	0.3	0.4
Leather and leather products (shoes)	0.2	0.4
Chemicals	0.1	0.1

Percentages do not add to 100.

Source: Percentages calculated from unpublished records of the Pennsylvania Dept. of Labor and Industry, Bureau of Employment Security.

drop that occurred in the rank of transportation equipment. This probably reflects uncertainty in the national economy at the time the data were gathered, rather than any real change in the importance of this industry to Johnstown's economy. Freight cars are capital goods and orders for them are very volatile, as the employment record of this particular industry segment shows.

It is significant that the steel industry is making just about as large a contribution to the local economy in terms of dollar volume of employee earnings now as it did several years ago. Some small industries, however, have rapidly increased their local payrolls and are worth noting for their possible future contributions. Among the industries in which payroll at least doubled between 1960 and 1967 were the following: instrument manufacture ; furniture and fixtures; leather and leather products (shoes); plastics and rubber; products derived from petroleum and related materials; medical and educational services; motor freight; hotels, motels, and other lodging places. Some of these groups have recently shown both high wage levels and high rates of growth nationally. Some of the industries, for reasons discussed in the industry section of this report, should be more important in Johnstown in the future than they are now.

Income Maintenance Through Social Insurance

Earned income constitutes by far the largest part of Johnstown's total income (81.2 percent in 1966), but "transfer payments" account for the next largest share (11.7 percent in 1966), as was shown in Table 26. It has been pointed out that Johnstown gets a relatively larger share of income from the latter source than do some other rather comparable metropolitan areas, and that the share is larger in bad times than in good.

Transfer payments are so called because they are government expenditures that transfer purchasing power to individuals and their families as income without regard to work services. They are payments made to veterans, old people, the handicapped, the unemployed, and orphans. The recipient does not contribute labor, land or capital in return, and such payments are not part of a given area's productive activities. They do, however, increase purchasing power in the area.

In the section of this study dealing with population, it was noted that migration and subsequent relative aging of Johnstown's population gave a new importance to transfer payments in the local economy. This is borne out by a review of payments made in Cambria and Somerset counties under the Federal Old Age and Survivor's Insurance program (see Table 32). In 1966 more than half of all transfer payments came from the old age and survivors' insurance part of the program, whereas little more than one-third of the payments came from this source in 1959. Table 32 also shows that disability payments to persons under age 65 are increasing in importance too, but that they still represent only a small part of total transfer payments. Both coverage and benefits under the social security program have been expanded during the years under consideration here.

Strictly comparable figures are not available for other types of benefit payments, but some idea of their significance for income purposes can be gained from such figures as are available.

Table 32 shows, for example, that unemployment compensation paid through the Johnstown area local offices of the Pennsylvania Bureau of Employment Security amounted to more than $13 million in 1959, which would be close to one-fourth of all transfer payments made in that year. In 1966, which was a very good year for the national, state, and local economy, such payments constituted a very small percentage of transfer payments.

Public assistance grants amounted to more than unemployment compensation in the middle 1960's. For the fiscal year ending June 30, 1967, the Pennsylvania Department of Welfare made grants totaling $11,200,000 to residents of the Johnstown labor market area. They were made to about 3.4 percent of the population of

TABLE 32

SOCIAL SECURITY AND UNEMPLOYMENT COMPENSATION BENEFITS AS SOURCES OF TRANSFER PAYMENTS, JOHNSTOWN LABOR MARKET AREA, 1959, 1962, AND 1966

Type of Payment	1959		1962		1966	
	$000	% of Total	$000	% of Total	$000	% of Total
All transfer payments	54,700	100	63,800	100	68,900	100
All OASDI payments[a]	20,234	37	28,558	45	35,932	52
Disability payments to persons under 65 years	953	1.7	3,657	5.7	5,386	7.8
All unemployment insurance payments	13,104	24.0	10,910	16	2,785	4.0
Unemployment compensation[b]	12,900	23.6	10,376	16	--	--

a. Annual totals secured by multiplying monthly benefits by 12.

b. Includes following amounts for special 13-week extended benefits: 1959, $1,650,000; 1962, $469,000. The extended program was not in operation in 1966.

Sources: Total transfer payments: U. S. Dept. of Commerce, Office of Business Economics, Regional Economics Information System (unpublished), Tables 5.00 and 5.03. OASDI payments: Pennsylvania Dept. of Welfare records, cited in Pennsylvania Dept. of Internal Affairs, *Pennsylvania Statistical Abstract*, 1969 ed., Table 89; 1968 ed., Table 77. Unemployment insurance payments: Pa. Dept. of Labor & Industry, Bureau of Employment Security. Subcategories summed and percentages calculated.

the population of Cambria County and 4.2 percent of the population of Somerset County. In the recession year of 1960-61, grants totaled $6,300,000 and were made to 4.3 percent of Cambria County residents and 2.0 percent of Somerset County residents.

Whatever the social implications of this situation, the important point to be made for purposes of income analysis is that the productive sector of Johnstown's economy has not moved up fast enough over the years to keep transfer payments at the same proportion of total income or to reduce that proportion.

Per Capita Income

Whether or not a particular volume of personal income in an area means poverty or well-being for the people who live there is best determined by considering family income; but lacking current income data by family units, it is necessary to turn to per capita income units. These are determined by dividing total personal income by total population.

In 1959, Johnstown had a per capita income of $1,550, which was 70.5 percent of the Pennsylvania figure of $2,196 and 71.7 percent of the national figure of $2,161. By 1966 the per capita figure for Johnstown had risen to $2,156, but this put it in relatively not much better a position with regard to the State and the Nation. It was 71.9 percent of the Pennsylvania figure of $2,998 and 72.7 percent of the U. S. figure of $2,963. In both years the Johnstown figure was less than three-quarters of the Pennsylvania and U. S. figures and--as is shown in Table 33--it was the smallest percentage of national per capita income of any of the other labor market areas with which comparisons are being made here.

TABLE 33

PER CAPITA PERSONAL INCOME IN JOHNSTOWN AND SELECTED OTHER LABOR MARKET AREAS AS A PERCENTAGE OF NATIONAL AVERAGE PER CAPITA INCOME, 1959--1966

Area	1959	1962	1965	1966
Lancaster	102	102	103	105
Reading	102	99	102	103
Erie	93	95	99	101
York	97	97	97	98
Scranton	82	85	85	85
Altoona	82	81	83	83
Johnstown	72	71	73	73
Pennsylvania	102	100	100	100

Source: U. S. Dept. of Commerce, Office of Business Economics, Survey of Current Business, August 1968, p. 17, and August 1967, p. 31.

Not only is per capita income relatively low in the Johnstown area, but it dipped during a year of national expansion and is not showing signs of further growth. The profile for Altoona is much the same, but at a level about 10 percentage points higher than Johnstown's. As for the other areas, only Lancaster and Erie have consistently become more prosperous in the past seven years. The others have steadied close to whatever levels they maintained in 1959. This situation, confirmed by the fact that Pennsylvania's per capita average drifted down to the national average during this period, suggests that other parts of the country are improving per capita income faster than is much of Pennsylvania, and that part of the problem is one of Pennsylvania and its metropolitan areas simply being in the East.

Finally, there is little satisfaction for the residents of Johnstown in the thought that, low as it now is, per capita personal income would undoubtedly be even lower if the Johnstown area had not experienced a substantial amount of out-migration.

The seeming anomaly of comparatively low per capita income in an area in which employment is dominated by an industry that pays relatively high wages, and in which wage and salary payments constitute a larger share of total income than is true of somewhat comparable areas, can be resolved only by reference to local industry practices. The use made of part-time workers, the average length of the factory workweek, the prevalence of layoffs, and the amount of time lost during work stoppages all affect calculation of the per capita figure. These factors are discussed in some detail in the section of this study dealing with the industrial and business character of the Johnstown area.

Payroll Projections

Table 34 presents projected payroll figures for the first quarter of 1975 compared to similar payroll figures for 1967. The figures are in terms of current dollars. No attempt has been made to correct for rising prices. In fact, one of the assumptions upon which the estimates are based is that the rate of price rises will be the same over the period 1967 to 1975 as it was from 1960 to 1967. There are certain other factors which have been assumed equal for these same periods: the relative change in occupational structure is the same, unions pursue similar goals, and union-management bargaining powers are similar. Two further assumptions are subsumed in the employment projections upon which the payroll projections are based. These are the assumptions concerning growth rates of product demand (locally and nationally) and the ratio of capital to labor.

On the basis of the above assumptions the method for deriving the payroll figures was to apply the relative change in payroll per employee from 1960 to 1967 to the period 1967 to 1975. Given the employment projections already discussed, this yields payroll by industry for 1975.

TABLE 34

PAYROLL OF JOHNSTOWN'S LABOR MARKET AREA INDUSTRIES PAYROLL FOR THE FIRST QUARTER OF 1967 AND PROJECTED FOR THE FIRST QUARTER OF 1975 BY INDUSTRIAL CATEGORY

Industrial Group	1967	1975	Percent Change Payroll Per Employee	Percent Change Payroll 1967-1975
Agriculture, forestry, fishing	57,752	71,370	52	24
Mining	10,461,577	14,694,240	44	40
Construction	2,909,235	5,901,000	29	102
Lumber and wood	699,808	1,824,064	44	161
Furniture and fixtures	499,494	752,395	26	51
Stone, clay and glass	956,218	1,653,400	43	73
Primary and fabricated metals	26,338,818	28,826,000	10	9
Nonelectrical machinery	1,263,274	2,612,000	71	106
Electrical machinery	142,053	174,420	-9	23
Transportation equipment	2,059,287	2,648,250	-13	29
Food and kindred products	1,596,228	1,809,690	26	13
Apparel and related products	3,890,184	6,222,510	48	60
Paper and allied products	24,084	37,765	21	57
Printing and publishing	672,257	909,120	27	35
Chemicals and allied products	78,234	98,368	21	26
Petroleum refining and related	105,762	187,700	57	77
Leather and leather products	309,497	604,560	31	95
Miscellaneous manufacturing (including instruments)	242,993	524,020	31	116
Transportation	1,449,643	2,997,251	31	107
Communications	1,198,895	1,603,410	27	34
Utilities	2,334,950	2,801,169	17	20
Wholesale	2,351,099	6,288,750	37	167
Retail Trade	8,983,083	13,260,800	27	48
Finance, Insurance and Real Estate	2,159,624	3,197,250	25	48
Miscellaneous business services	647,909	729,000	-6	13
Hotels and other lodging places	1,247,227	1,652,700	23	33
Entertainment	264,599	453,675	43	71
Medical and health services	1,543,324	2,196,431	56	42

Source: Data provided by Bureau of Employment Security, Harrisburg, Pennsylvania.

The total payroll increase is from approximately 76 million for the first quarter of 1967 to 105 million in 1975: an increase of over 37 percent. On this basis, it is possible to make a very rough estimate of total personal income for Johnstown for 1975. Assuming wages and salaries increase to the same degree as all other income components, total personal income in 1975 will be around 805.6 million dollars. This would mean that, on the basis of a 1975 population of 283,000, per capita income in 1975 will be approximately $2,847 compared to $2,156 in 1966. If, as has been assumed, the rate of inflation is the same for the two periods under consideration, real per capita income will be only around $2,530. It would seem from this rough approximation that if the average economic welfare of the Johnstown citizen is to increase to any great extent in the near future, other income components, such as transfer payments, will have to become more important to the total than they are today.

APPENDIX A

COMMUNITY VIEWS AND ASPIRATIONS

1. LEADERSHIP INTERVIEWS

LEADERSHIP INTERVIEWS

I. Background questions (where born and educated), where presently live, why moved to Johnstown or how long family has lived in Johnstown, brief occupational history, organizational and committee memberships (professional, civic, political, boards, committees), whether children are living in the Johnstown area or plan to.

II. 1. What do you see as the main problems and opportunities right now in the Johnstown area?

2. With respect to each of these:
   - a. What resources are available--or can be made available--to work on this?
   - b. What people, and/or organizations, by name, are essential?
   - c. How should they go about doing the job?
   - d. What obstacles or opponents are there, or might there be? (Is any one person or group likely to veto this?)
   - e. Is there one single person or group whose participation is most important to this project?

III. Recent and Current Issues

1. Has the Greater Johnstown Committee been successful, so far, in realizing its objectives? Why or why not?
2. What efforts to bring new industry to the area have been successful? Why or why not?
3. What do you look for from the City-State Partnership Programs?
4. How much cooperation is there--and should there be--between business and community leaders and the leaders of the local political parties?
5. Should the form of city government be changed? Why hasn't it been?
6. Has the C of C been successful in realizing its objectives? Why or why not?

7. Has the urban renewal program been successful so far or not? Why or why not?
8. Should Westmont be consolidated with Johnstown? Why did the consolidation plan fail?
9. Has the Cambria County Community Action Council been successful so far? Why or why not?
10. Has the County Planning Commission been successful? Why or why not?
11. In general, has the quality of community leadership been satisfactory? Why or why not?
12. What role should the new University of Pittsburgh play in the area's future?
13. Is there a solution to the cyclical unemployment problem?
14. What haven't I asked that I should have?

2. EXPERT INTERVIEWS

EXPERT INTERVIEWS

1-4. Name, title, date and interviewer.

5. Career history.
6. Description of program or operations.
7. Procedure by which program is developed and approved.
8. How performance is measured and the contribution to the social and economic stability and development of the Johnstown area.
9. Relationship with regional, state and federal headquarters. Headquarter awareness of local situation and problems.
10. Problems, if any, of coordination with other agencies.
11. Means of forecasting or projecting program(s). Influence of local versus outside factors.
12. Sources of frustration and satisfaction in your job.
13. Factors which have caused the agency to be less effective than it might be.
14. Recent and current issues.

3. NOTES ON HOUSEHOLD SURVEY

NOTES ON HOUSEHOLD SURVEYS

Table 1 is designed to compare the geographic representativeness of the 1965 and 1968 household surveys in comparison with the results of the 1960 Census of Population, the 1966 Community Action Council County Statistical Report and estimates prepared by the Cambria County Planning Board in its 1966 Neighborhood Analysis Study. Both the 1965 Community Action Survey and the 1966 County Planning Board Surveys show a consistent pattern of number of occupied dwelling units by neighborhood within the City of Johnstown with the exception of Cambria City. A comparison of the Community Action Council Survey results for suburban communities reveals some anomalies, for example, both Westmont and Southmont Boroughs show a decline in the number of occupied dwelling units since 1960 and an underrepresentation in comparison with the 1968 Greater Johnstown Community Survey (GJCS).

Tables 1 through 16 in the list below were prepared from special tabulations of the original tabulation cards of a survey made in 1965 for the Pennsylvania State University Center for Air Environment Studies. The study was conducted early in 1965 by student enumerators from the Johnstown Campus of the University of Pittsburgh. The questionnaire was 27 pages in length and the average length of an interview was over one hour. Although a major portion of the questionnaire (eight pages) was devoted to questions pertaining to air pollution, a large number of questions were devoted to characteristics of the respondents and their households, and to attitudes towards the greater Johnstown area and one's neighborhood as communities.

The frame used for the survey was the 1964 City Directory of Greater Johnstown, a listing of names and addresses of adults in the Johnstown urbanized area.[1] Out of 600 names selected at random from the Directory, 436 were interviewed, the remaining 164 names were accounted for as follows:

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[1] See page 4 of Dr. Crowe's report "Toward a 'Definitional Model' of Public Perception of Air Pollution."

Deceased	21
Moved from the area	40
Unable to be interviewed (sick, senile, etc.)	33
Unable to locate	39
Refusals	31
TOTAL	164

The representativeness of the sample interviews can be assessed by comparing column 9 in Table 1 with percentages in columns 6, 7 and 8 keeping in mind that the urbanized area of Johnstown in the 1960 Census of Population included only parts of Conemaugh, Lower Yoder, Richland, Stonycreek, Upper Yoder and West Taylor Townships and none of Middle and East Taylor Townships. Although the 1968 Survey covered a wider geographic area, it was not possible to complete some of the interviews in the less densely populated parts of Upper Yoder Township. Any bias present in the 1965 survey stemming from refusals and being unable to locate persons in this survey were undoubtedly also present in the 1968 sample. One difference between the geographic composition of the samples is reflected in the percentage of responses from within the city and from the suburban communities.

	Percent of All Responses	
	1965 Survey	1968 Survey
City of Johnstown	52.1	43.1
Suburban Boroughs	33.5	26.5
Suburban Townships	14.4	30.4
TOTAL	100.0	100.0

This difference in composition can be understood by comparing the 19-municipality Greater Johnstown Area and the total Urbanized Area[2] as used by the Bureau of the Census in 1960, the difference in geographic composition is shown below:

	Population, 1960 Census		Percentage of Total	
	19 municipalities	Urbanized area	19 municipalities	Urbanized area
Total Area	112,641	96,474	100.0	100.0
City of Johnstown	53,949	53,949	47.9	55.9
Suburban Boroughs	25,917	25,917	23.0	26.9
Suburban Townships	32,775	16,608	29.1	17.2

In addition to reflecting an enlarged geographic scope in comparison with the 1965 Survey, the 1968 Survey shows evidence of the increasing suburbanization into the outerlying township suburbs which has taken place since the 1960 Census of Population was taken and since the preparation of the 1964 City Directory of Greater Johnstown.[3]

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2. In an attempt to separate urban and rural population in the vicinity of larger cities the 1960 Census of Population delineated surrounding closely settled unincorporated places and unincorporated areas around cities of 50,000 inhabitants or more. See page vi and vii of Report PC (1)-40A of the _U. S. Census of Population: 1960_ for a fuller discussion.

3. The population of Cambria County was 203 thousand in 1960 and had declined to 190 thousand in 1967. The population of Johnstown is estimated to have declined during the same period from 54 thousand to about 45 thousand (State Planning Board). Adding the 18 "suburban" communities in 1960 (26 thousand in 10 boroughs and 33 thousand in 8 townships) gives a greater Johnstown population of 113 thousand or 96 thousand if only the 17 thousand "urbanized" population of the townships are counted. The Urban Land Institute in its _Dimensions of Metropolitanism_ (Research Monograph 14A, Urban Land Institute, Washington, D.C.) estimates that the urbanized land area will increase from 21 square miles in 1960 to 24 in 1970 and 26 in 1980 and that the urbanized population will be 93.3 thousand in 1970, 98.9 thousand in 1980 and 101.4 thousand in 2000.

The 1968 Greater Johnstown Community Survey

(Tables A2-A6 in this appendix and Tables 17-27 in the list of unpublished tables)

Using the experience of the 1965 Greater Johnstown Community Survey as a guide, and considering the objectives of the present project, a pretest questionnaire was designed in May 1968.[4] Six students at the Johnstown Campus of the University of Pittsburgh were given a short training course and 44 pilot interviews were conducted during the last week of June. Based on the results obtained and the experience of the student enumerators, a revised questionnaire was prepared together with the necessary instructions for the enumerators and supervisors.[5] The geographic area to be included in the survey was the City of Johnstown and the 18 municipalities comprising the "Greater Johnstown Area" studied by the Consolidation Committee of the Johnstown Chamber of Commerce in the 1957 study, Johnstown Metropolitan Survey.

Based on estimates of how long the questionnaires would take (not more than half an hour in most cases) and travel time for the initial interview and callbacks, a sample size of about 600 was estimated, approximately two percent of the Greater Johnstown Area. Through a private consulting firm, Data Consultants, we were able to obtain a two percent random sample of privately owned households in 13 of the 19 municipalities. This sample was supplemented by two additional samples--a two percent sample of all public housing units in the area and a two percent sample of household units in the missing 6 municipalities.[6]

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[4] A copy of this pretest questionnaire was included as Appendix 1 to the May 1, 1968 to June 30, 1968 Progress Report submitted to the Pennsylvania Bureau of Employment Security.

[5] A copy of the questionnaire and instructions appear as Appendices 2 and 3 to the July 1, 1968 to September 30, 1968 Progress Report submitted to the Pennsylvania Bureau of Employment Security.

Two additional training sessions were held during the later part of July and interviews were conducted and collected during July and August. Out of a total of 710 households selected in the original and two supplemental samples, a total of 691 questionnaires were collected, the remaining 19 households were deleted from the sample because of time limitations. Most of the households deleted were in the rural, less accessible parts of the outlying townships, Upper Yoder Township in particular.

Although there were only 33 households out of the 691 in which it was not possible to gain permission to be interviewed, substitute households were selected in 148 cases. The reasons for substitution were as follows:

Premises vacant	39
Occupant not home after three visits	95
No reason given or other[7]	14
TOTAL	148

In cases of substitution, the enumerators were instructed to select the next household on either side of the household originally selected. Most of the interviewers reported excellent cooperation by the respondents. The news media had been most helpful in publicizing the survey and the interviewers had letters of introduction as well as their student identification. The letter of introduction stresses that all answers would be treated as confidential.

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[6] The boroughs of Brownstone and Daisytown and East, West and Middle Taylor and Conemaugh Townships. The supplementary sample was selected from lists of taxable property in the Cambria County Courthouse.

[7] One enumerator reported a sign near the front door, "No Surveys" perhaps reflecting too frequent use of a survey approach in house-to-house selling.

The questionnaires were edited and coded during August and September and a computer program was prepared and completed in November 1968.

TABLE A-1

COMPARISONS OF GEOGRAPHIC REPRESENTATIVENESS OF SURVEYS AND ESTIMATES FOR THE GREATER JOHNSTOWN AREA: 1960 TO 1968

Area	Number of Household-Dwelling Units[a]					Percentage Distribution[b]				
	1960 Census	1966 CAC Survey	1966 CPC Survey	1965 GJC Survey	1968 GJC Survey	1960 Census	1966 CAC Survey	1966 CPC Survey	1965 GJC Survey	1968 GJC Survey
Greater Johnstown Area	33,511	31,840	--	436	691	--	--	--	--	--
Johnstown										
Total	16,849	15,065	14,965	227	298	100.0	100.0	100.0	100.0	100.0
Downtown	1,484	870	963	6	14	8.8	5.8	6.4	2.6	4.7
Kernville	1,786	1,435	1,536	21	22	10.6	9.5	10.3	9.3	7.4
Hornerstown	1,605	1,380	1,410	26	30	9.5	9.2	9.4	11.5	10.1
Roxbury	1,590	1,580	1,502	25	33	9.4	10.5	10.0	11.0	11.1
Conemaugh	930	865	855	14	15	5.5	5.7	5.7	6.2	5.0
Woodvale	601	555	565	8	15	3.6	3.7	3.8	3.5	5.0
Prospect	835	830	820	10	7	5.0	5.5	5.5	4.4	2.3
Cambria City	780	730	411	8	11	4.6	4.8	2.7	3.5	3.7
Moxham	2,[illegible]04	2,000	2,263	41	42	14.3	13.3	15.1	18.1	14.1
Walnut Grove	1,008	1,020	891		19	6.0	6.8	6.0		6.4
Morrellville	2,022	2,015	3,242	29	75	12.0	13.4	21.7	12.8	25.[illegible]
Oakhurst	1,301	1,285		28		7.7	8.5		12.3	
Coopersdale	503	500	507	11	15	3.0	3.3	3.4	4.8	5.0
Suburban Communities										
Total	16,662	16,775		209	393	100.0	100.0	--	100.0	100.0
Brownstown	368	360		7	6	2.2	2.1		3.3	1.5
Daisytown	101	110		--	3	0.6	0.6		--	0.8
Dale	877	820		18	27	5.3	4.9		8.6	6.9
East Conemaugh	965	900		25	18	5.8	5.4		12.0	4.6
Ferndale	863	775		12	20	5.2	4.6		5.7	5.1
Franklin	385	285		4	7	2.3	1.7		1.9	1.8
Geistown	909	1,065		21	9	5.5	6.3		10.0	2.3
Lorain	387	370		5	7	2.3	2.2		2.4	1.8
Southmont	907	695		11	32	5.4	4.1		5.3	8.1
Westmont	2,067	1,895		43	54	12.4	11.3		20.6	13.7
Conemaugh	654	625		1	14	3.9	3.7		0.5	3.6
East Taylor	914	875		---	31	5.5	5.2		---	7.9
Lower Yoder	1,368	1,370		11	34	8.2	8.2		5.3	8.6
Middle Taylor	233	285		---	7	1.4	1.7		---	1.8
Richland	2,486	2,870		6	61	14.9	17.1		2.9	15.5
Stonycreek	1,289	1,395		16	27	7.7	8.3		7.6	6.9
Upper Yoder	1,472	1,610		25	24	8.8	9.6		12.0	6.1
West Taylor	417	470		4	12	2.5	2.8		1.9	3.0

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[a] The Census defines a household to be all the persons who occupy a housing unit which is a house, apartment, group of rooms or a single room occupied as separate living quarters. The occupants live and eat separately from others in the same structure, have direct access from the outside or through a common hall or have a kitchen or cooking equipment for the exclusive use of the occupants of the unit. The Community Action Council Survey (CAC) used the same definition. The County Planning Commission (CPC) estimates are for occupied dwelling units. The 1965 Greater Johnstown Survey (GJC) was a sample of households selected from The 1964 City Directory of Greater Johnstown. The 1968 Greater Johnstown Community Survey (GJC) was a two percent sample of households selected at random from a frame of all households including households living in Public Housing.

[b] Detail may not add to total because of rounding.

TABLE A-2

CHARACTERISTICS OF RESPONDENTS AND HOUSEHOLDS IN THE 1968
GREATER JOHNSTOWN COMMUNITY SURVEY

Characteristic	Number			Percentage of Total[a]	
	Greater Johnstown	Johnstown	Suburbs	Johnstown	Suburbs
Number of Households	691	298	393	--	--
Population by Age Group					
Total	2,499	1,048	1,451	100.0	100.0
Under 6 years of age	234	90	144	8.6	9.9
Six to 13 years of age	428	163	265	15.5	18.3
Fourteen years of age and over	1,837	795	1,042	75.9	71.8
Age Group of Head of Household					
Total	691	298	393	100.0	100.0
Under 30 years of age	51	24	27	8.1	6.8
30 - 44 years of age	172	65	107	21.8	27.2
45 - 59 years of age	255	106	149	35.6	37.9
60 years and over	213	103	110	34.6	28.0
Employment Status of Head of Household					
Total	691	298	393	100.0	100.0
Employed full time	474	186	288	62.4	73.3
Employed part time	22	11	11	3.7	2.8
Retired	165	82	83	27.5	21.1
Seeking employment	5	4	1	1.3	0.2
Other	25	15	10	5.0	2.5
Self Employed and Multiple Job Holders					
Self employed	44	14	30	--	--
Employed in more than one job	25	9	16	--	--
Industry of those Employed					
Total	496	197	299	100.0	100.0
Mining	6	3	3	1.5	1.0
Construction	22	8	14	4.1	4.8
Manufacturing					
Furniture, lumber and wood products	3	2	1	1.0	0.3
Primary metal industries	196	88	108	44.7	36.1
Fabricated metal industries	20	5	15	2.5	5.0
Machinery, except electrical	5	2	3	1.0	1.0
Electrical machinery	4	0	4	--	1.3
Motor vehicles equipment	1	0	1	--	0.3
Transportation equipment	9	6	3	3.0	1.0
Other durable goods	7	4	3	2.0	1.0
Food and kindred products	13	7	6	3.6	2.0
Apparel and other fabricated textile products	5	3	2	1.5	0.7
Chemical and applied products	1	0	1	--	0.3
Other nondurable goods	3	0	3	--	1.0
Railroads and railway express service	8	1	7	0.5	2.3
Trucking service and warehousing	6	2	4	1.0	1.3
Other transportation	1	0	1	--	0.3
Communications	7	2	5	1.0	1.7
Utilities and sanitary services	23	5	18	2.5	6.0
Wholesale trade	1	0	1	--	0.3
Food and dairy product stores; milk retailing	15	5	10	2.5	3.3
Eating and drinking places	3	3	0	1.5	--
Other retail trade	38	11	27	5.6	9.0
Finance, insurance and real estate	13	2	11	1.0	3.7
Business services	2	1	1	0.5	0.3
Repair services	9	5	4	2.5	1.3
Private household services	4	3	1	1.5	0.3
Other personal services	8	5	3	2.5	1.0
Entertainment and recreation services	3	1	2	0.5	0.7

TABLE A-2 (CONTINUED)

Characteristic	Number			Percentage of Total	
	Greater Johnstown	Johnstown	Suburbs	Johnstown	Suburbs
Industry of Those Employed (continued)					
Hospitals	9	3	6	1.5	2.0
Educational services, government	16	7	9	3.6	3.0
Educational services, private	4	0	4	--	1.3
Welfare, religious and nonprofit membership organizations	6	1	5	0.5	1.7
Other professional and related services	5	0	5	--	1.7
Public administration	16	8	8	4.1	2.7
Industry not reported	4	4	0	2.0	--
Occupation - Census					
Total	496	197	299	100.0	100.0
Engineers and technical	19	1	18	0.5	6.0
Medical and health workers	8	3	5	1.5	1.7
Teachers, elementary and secondary schools	7	1	6	0.5	2.0
Other professional, technical and kindred workers	19	6	13	3.0	4.3
Managers, officials and proprietors	89	25	64	12.7	21.4
Secretaries, stenographers and typists	2	0	2	--	0.7
Other clerical workers	41	20	21	10.2	7.0
Sales workers	21	5	16	2.5	5.4
Construction craftsmen	24	16	8	8.1	2.7
Mechanics and repairmen	11	5	6	2.5	2.0
Metal craftsmen, except mechanics	52	23	29	11.7	9.7
Other craftsmen	38	12	26	6.1	8.7
Drivers and deliverymen	21	11	10	5.6	3.3
Other operatives and kindred workers	18	7	11	3.6	3.7
Private household workers	3	3	0	1.5	--
Protective service workers	7	6	1	3.0	0.3
Waiters, cooks and bartenders	2	0	2	--	0.7
Other service workers	10	3	7	1.5	2.3
Laborers	100	47	53	23.9	17.7
Armed forces	4	3	1	1.5	0.3
Occupation - BES Classification					
Total	496	197	299	100.0	100.0
Professional, managerial and technical	116	25	91	12.7	30.4
Clerical	44	19	25	9.6	8.4
Sales	31	8	23	4.1	7.7
Services	26	13	13	6.6	4.3
Farming, fishing, etc.	1	0	1	--	0.3
Processing	89	37	52	18.8	17.4
Machine trades	56	19	37	9.6	12.4
Bench work	8	5	3	2.5	1.0
Structural work	64	35	29	17.8	9.7
Miscellaneous	61	36	25	18.3	8.4
Members of the Household (Other than Heads) 14 Years of Age or Older					
Total	1,152	499	653	100.0	100.0
Employed full-time	202	99	103	19.7	15.5
Employed part-time	95	36	59	7.0	9.3
Seeking employment	36	23	13	4.8	2.0
Not in the labor force	819	341	478	68.5	73.2
Members of the Household (Other than Heads) 14 Years of Age and Over Who State Education is not Completed					
Total	369	166	203	100.0	100.0
Employed full-time	16	10	6	6.0	3.0
Employed part-time	44	15	29	9.0	14.3
Seeking employment	16	11	5	6.6	2.5
Not in the labor force	293	130	163	78.3	80.3
Households with Member in Armed Forces	43	30	13	--	--

TABLE A-2 (CONTINUED)

Characteristic	Number			Percentage of Total	
	Greater Johnstown	Johnstown	Suburbs	Johnstown	Suburbs
Home Ownership					
Total	691	298	393	100.0	100.0
Rent	197	143	54	48.0	13.7
Own	494	155	339	52.0	86.3
Public Housing	35	35	0	--	--
Total Family Income During 1967					
Total	691	298	393	100.0	100.0
Less than $2,000	57	36	21	12.1	5.3
$2,000 to $3,999	105	59	46	19.8	11.7
$4,000 to 5,999	131	67	64	22.5	16.3
$6,000 to 7,999	182	71	111	23.8	28.2
$8,000 to 9,999	127	48	79	16.1	20.1
$10,000 and over	88	16	72	5.4	18.3
Not reported	1	1	0	0.3	--
Race					
Total	691	298	393	100.0	100.0
White	674	284	390	95.3	99.2
Non-white	17	14	3	4.7	0.8
Status of Respondent					
Total	691	298	393	100.0	100.0
Head	260	132	128	44.3	32.6
Wife	372	133	239	44.6	60.8
Mother or mother-in-law	6	1	5	0.3	1.3
Daughter of head	27	17	10	5.7	2.5
Son of head	12	7	5	2.3	1.3
Sister or sister-in-law	8	3	5	1.0	1.3
Other	6	5	1	1.7	0.2
Education of Respondent					
Total	691	298	393	100.0	100.0
None	3	1	2	0.3	0.5
Grade school but did not finish 8th grade	99	54	45	18.1	11.5
Finished 8th grade	67	29	38	9.7	9.7
Some high school	129	69	60	23.2	15.3
High school graduate	317	120	197	40.3	50.1
Some college	44	15	29	5.0	7.4
College degree	16	2	14	0.7	3.5
Post graduate education	11	4	7	1.3	1.8
Not reported	5	4	1	1.3	0.2

[a] Percentages may not add to total because of rounding.

Source: 1968 Greater Johnstown Community Survey

TABLE A-3

LENGTH OF RESIDENCY IN JOHNSTOWN OR MUNICIPALITY
AND PREVIOUS PLACE OF RESIDENCE, 1968

	Number of Household			Percent of Total[a]	
	Total	Johnstown	Suburbs	Johnstown	Suburbs
Length of Residency					
Total	691	298	393	100.0	100.0
Less than 5 years	86	25	61	8.4	15.5
5 to 9 years	79	16	63	5.4	16.0
10 to 14 years	92	26	66	8.7	16.7
15 to 19 years	91	32	59	10.7	15.0
20 to 29 years	122	59	63	19.8	16.0
30 to 39 years	101	57	44	19.1	11.2
40 to 49 years	84	59	25	19.8	6.4
50 or more years	36	24	12	8.0	3.0
Average length of residency (in years)	---	27.0	17.2	---	---
Previous Place of Residency					
Total	691	298	393	100.0	100.0
Always lived in present community	279	212	67	71.2	17.0
Johnstown	165	---	165	---	42.0
Suburb of Johnstown	96	21	75	7.0	19.1
Rural part of Pennsylvania	47	23	24	7.7	6.1
Other urban part of Pennsylvania	47	18	29	6.0	7.4
Out of State	56	23	33	7.7	8.4
Other	1	1	---	0.3	---

[a] Percentages may not add to total because of rounding

Source: 1968 Greater Johnstown Community Survey.

TABLE A-4 FACTORS IDENTIFIED WITH RETURN MIGRATION TO JOHNSTOWN AND REASONS FOR CONSIDERING MIGRATION FROM JOHNSTOWN, 1968

Stated Reason	Number of Responses			Percent[a]		
	Greater Johnstown	Johnstown	Suburbs	Greater Johnstown	Johnstown	Suburbs
For Return Migration to Johnstown						
Total	80	43	37	100.0*	100.0*	100.0*
Because of employment opportunities	31	17	14	38.8	39.5	37.8
To be near family and friends	16	11	5	20.0	25.6	13.5
Liked Johnstown better than previous place	14	10	4	17.5	23.3	10.8
Because Johnstown was home	11	3	8	13.8	7.0	21.6
For educational reasons	2	1	1	2.5	2.3	2.7
Other or no reason given	6	1	5	7.5	2.3	13.5
For Considering Leaving Johnstown						
Total	186	70	116	100.0	100.0*	100.0
To improve employment status	91	36	55	48.9	51.4	47.4
Dislike of Johnstown area in general	22	14	8	11.8	20.0	6.9
Desire for better climate[a/]	17	4	13	9.1	5.7	11.2
Specific dislikes	13	5	8	7.0	7.1	6.9
Transfer of husband	12	3	9	6.5	4.3	7.8
To be nearer family	12	3	9	6.5	4.3	7.8
Economic considerations	6	2	4	3.2	2.9	3.4
Desire for change	6	1	5	3.2	1.4	4.3
Other	7	2	5	3.8	2.9	4.3
For Not Considering Leaving Johnstown						
Total	503	225	278	100.0	100.0	100.0
Employment	165	51	114	32.8	22.7	41.0
Like it in Johnstown	127	69	58	25.2	30.7	20.9
No reason to move	119	63	56	23.7	28.0	20.1
Always lived in Johnstown	51	22	29	10.1	9.8	10.4
Ties of family and friends	33	17	16	6.6	7.6	5.8
Home ownership	8	3	5	1.6	1.3	1.8

*Based on less than 100 responses

[a] Percentages may not add to total because of rounding

Source: 1968 Greater Johnstown Community Survey

TABLE A-5 KNOWLEDGE OF COMMUNITY ACTIVITIES AND ISSUES AND GENERAL REACTION

Community Activities and Issues and General Reaction	Number of Respondents			Percent[a]		
	Greater Johnstown	City	Suburbs	Greater Johnstown	City	Suburbs
City - State Partnership						
Total	691	298	393	100.0	100.0	100.0
Favorable	148	57	91	21.4	19.1	23.2
Unfavorable	12	7	5	1.7	2.3	1.3
Neutral	112	47	65	16.2	15.8	16.5
No knowledge	419	187	232	60.6	62.8	59.0
Greater Johnstown Committee						
Total	691	298	393	100.0	100.0	100.0
Favorable	176	66	110	25.5	22.1	28.0
Unfavorable	14	4	10	2.0	1.3	2.5
Neutral	191	62	129	27.6	20.8	32.8
No knowledge	310	166	144	44.9	55.7	36.6
Urban Renewal and Redevelopment						
Total	691	298	393	100.0	100.0	100.0
Favorable	451	185	266	65.3	62.1	67.7
Unfavorable	53	28	25	7.7	9.4	6.4
Neutral	110	40	70	15.9	13.4	17.8
No knowledge	77	45	32	11.1	15.1	8.1
Efforts to Fight Poverty						
Total	691	298	393	100.0	100.0	100.0
Favorable	454	192	262	65.7	64.4	66.9
Unfavorable	53	20	33	7.7	6.7	8.4
Neutral	76	28	48	11.0	9.4	12.2
No knowledge	108	58	50	15.6	19.5	12.7
Consolidation of Johnstown and Suburbs						
Total	691	298	393	100.0	100.0	100.0
Favorable	392	206	186	56.7	69.1	47.3
Unfavorale	111	11	100	16.1	3.7	25.4
Neutral	132	39	93	19.1	13.1	23.7
No knowledge	56	42	14	8.1	14.1	3.6
County Planning Commission						
Total	691	298	393	100.0	100.0	100.0
Favorable	137	62	75	19.8	20.8	19.1
Unfavorable	7	4	3	1.0	1.3	0.8
Neutral	141	46	95	20.4	15.4	24.2
No knowledge	406	186	220	58.8	62.4	56.0
Change in Form of City Government						
Total	691	298	393	100.0	100.0	100.0
Favorable	162	79	83	23.4	26.5	21.1
Unfavorable	51	28	23	7.4	9.4	5.8
Neutral	192	68	124	27.8	22.8	31.6
No knowledge	286	123	163	41.4	41.3	41.5

[a] Percentages may not add to total because of rounding

Source: 1968 Greater Johnstown Community Survey

TABLE A-6

IDENTIFICATION OF PROBLEM AREAS, 1968

Problem Area	Number of Respondents Identifying Problem			Percentage of Respondents Identifying Problem			Ranking of Problems		
	Greater Johnstown	City	Suburbs	Greater Johnstown	City	Suburbs	Greater Johnstown	City	Suburbs
Air Pollution	273	92	181	39.5	30.9	46.1	3	3	2
Cultural and recreational	176	55	121	25.5	18.5	30.8	7	6	7
Government consolidation	200	34	166	28.9	11.4	42.2	6	9	5
Housing	293	120	173	42.4	40.3	44.0	2	1	4
Lack of employment opportunities	337	116	221	48.8	38.9	56.2	1	2	1
Race relations	47	22	25	6.8	7.4	6.4	11	10	11
Schools	106	38	68	15.3	12.8	17.3	9	7	9
Sewers	50	9	41	7.2	3.0	10.4	10	12	10
Taxes	264	86	178	38.2	28.9	45.3	4	5	3
Transportation and parking	246	92	154	35.6	30.9	39.2	5	4	6
Unattractiveness	119	37	82	17.2	12.4	20.9	8	8	8
Other	32	18	14	4.6	6.0	3.6	12	11	12

Source: 1968 Greater Johnstown Community Survey

Unpublished Tables, 1965 and 1968 Greater Johnstown Community Surveys

Table	1965 Greater Johnstown Survey
1	CHARACTERISTICS OF RESPONDENTS AND HOUSEHOLDS
2	RELATIONSHIP OF RESPONDENTS TO HEAD OF HOUSEHOLD
3	SIZE OF HOUSEHOLDS
4	LENGTH OF TIME LIVED IN THE JOHNSTOWN AREA AND IN THE PRESENT NEIGHBORHOOD
5	AGE AT THE TIME OF LEAVING PLACE WHERE RAISED AND NUMBER OF SUBSEQUENT MOVES
6	REASONS FOR LEAVING PREVIOUS PLACE OF RESIDENCY
7	REASONS FOR PEOPLE LEAVING JOHNSTOWN FOR OTHER PLACES
8	ATTITUDES TOWARDS MIGRATING FROM OR STAYING IN JOHNSTOWN
9	THE IMPORTANCE OF KINSFOLK LIVING IN AND AROUND JOHNSTOWN
10	ATTITUDES OF FRIENDS TOWARDS STAYING IN JOHNSTOWN
11	KNOWLEDGE OF AND ATTITUDES TOWARDS JOB OPPORTUNITIES IN OTHER AREAS
12	ATTITUDES TOWARDS JOHNSTOWN AS A PLACE TO LIVE
13	RATING OF PROBLEMS IN THE GREATER JOHNSTOWN AREA AND EVALUATION OF ELECTED OFFICIALS IN DEALING WITH THE PROBLEMS
14	RATING OF PROBLEMS IN OWN NEIGHBORHOOD AND EVALUATION OF ELECTED OFFICIALS IN DEALING WITH THE PROBLEMS
	1968 Greater Johnstown Survey
15	RANKING OF PROBLEMS IN THE GREATER JOHNSTOWN AREA
16	RANKING OF PROBLEMS IN OWN NEIGHBORHOOD
17	HOUSEHOLDS WITH MEMBERS IN THE ARMED FORCES AND KNOWLEDGE OF INTENTION TO SEEK EMPLOYMENT IN JOHNSTOWN AFTER COMPLETION OF SCHOOL OR SERVICE
18	SUGGESTIONS FOR SOLVING PROBLEMS
19	ACTIVITY IN COMMUNITY PROGRAMS AND TYPES OF PROGRAMS IN WHICH INTERESTED
20	NUMBER OF LEADERS OR LEADERSHIP GROUPS IDENTIFIED
21	EVALUATION OF LEADERSHIP
22	ADVANTAGES OF LIVING IN THE SUBURBS OF JOHNSTOWN
23	WAYS IN WHICH SUBURBANITES ARE AFFECTED BY THE CITY OF JOHNSTOWN
24	RATING OF THE GREATER JOHNSTOWN AREA AND THE CITY OF JOHNSTOWN

Unpublished Tables, 1965 and 1968 Greater Johnstown Community Surveys (continued)

Table	1968 Greater Johnstown Survey
25	LABOR FORCE AND EDUCATIONAL STATUS FOR HOUSEHOLD MEMBERS 14 YEARS OF AGE AND OVER (OTHER THAN HEADS OF HOUSEHOLDS) BY AGE AND LABOR FORCE STATUS OF THE HEAD OF THE HOUSEHOLD AND BY SIZE OF HOUSEHOLD: CITY OF JOHNSTOWN
26	LABOR FORCE AND EDUCATIONAL STATUS FOR HOUSEHOLD MEMBERS 14 YEARS OF AGE AND OVER (OTHER THAN HEADS OF HOUSEHOLD) BY AGE AND LABOR STATUS OF THE HEAD OF THE HOUSEHOLDS AND BY SIZE OF HOUSEHOLD: SUBURBAN COMMUNITIES
27	LABOR FORCE AND EDUCATIONAL STATUS FOR HOUSEHOLD MEMBERS 14 YEARS OF AGE AND OVER (OTHER THAN HEADS OF HOUSEHOLD) BY AGE AND LABOR FORCE STATUS OF THE HEAD OF THE HOUSEHOLD, FOR JOHNSTOWN AND SUBURBAN COMMUNITIES

APPENDIX B

HUMAN RESOURCE CHARACTERISTICS AND DEVELOPMENT

TABLE B-1

JOHNSTOWN LABOR MARKET AREA POPULATION 1900-1960

Year	Labor Market Area Population	Labor Market Area Population ÷ State Population
1900	154,298	2.45%
1910	233,848	3.05%
1920	279,951	3.21%
1930	283,910	2.95%
1940	298,416	3.02%
1950	291,354	2.79%
1960	279,000	2.47%

Source: Commonwealth of Pennsylvania, Department of Internal Affairs, Pennsylvania Statistical Abstract, 1967.

TABLE B-2

RELATIVE AGE DISTRIBUTION OF THE JOHNSTOWN LABOR MARKET AREA POPULATION 1940-1960

Age	Year		
	1940	1950	1960
0-5	9.0	10.8	10.6
5-9	9.2	9.4	10.5
10-14	10.8	8.6	9.9
15-19	11.6	8.0	7.8
20-24	9.8	7.6	5.0
25-29	8.3	8.1	5.1
30-34	6.7	7.7	6.3
35-39	5.8	7.2	7.0
40-44	5.5	6.0	7.0
45-49	5.6	5.2	6.5
50-54	5.1	4.7	5.4
55-59	4.1	4.8	4.6
50-64	3.1	4.0	4.0
65 and over	5.4	7.8	10.3

Source: U. S. Bureau of the Census, Census of Population 1940, 1950, 1960.

TABLE B-3

NET MIGRATION FOR CAMBRIA AND SOMERSET COUNTIES AND JOHNSTOWN LABOR MARKET AREA: 1950-1960

Age Group	Cambria	Somerset	Total Labor Market Area	Percent of Total
All ages	-35,568	-13,233	-48,801	100.0
0-4	-636	+97	-539	1.1
5-9	-2,531	-556	-3,087	6.3
10-14	-2,833	-1,222	-4,105	8.4
15-19	-3,402	-1,714	-5,116	10.5
20-24	-7,056	-3,160	-10,216	20.9
25-29	-5,920	-2,595	-8,515	17.4
30-34	-3,483	-1,168	-4,651	9.5
35-39	-2,714	-1,008	-3,722	7.6
40-44	-1,942	-594	-2,536	5.2
45-49	-1,118	-471	-1,589	3.3
50-54	-727	-289	-1,016	2.1
55-59	-749	-199	-948	1.9
60-64	-469	-44	-513	1.1
65-69	-992	-146	-1,138	2.3
70-74	-502	-33	-535	1.1
75+	-495	133	-628	1.3

Source: Economic Research Service, U. S. Dept. of Agriculture, Net Migration of the Population, 1950-60 by Age, Sex and Color, Vol. I, Part 1, 1965.

TABLE B-4

CURRENT ESTIMATES OF THE JOHNSTOWN LABOR MARKET AREA POPULATION

No.	Year	Estimate
1	1965	256,000
2	1966	267,700
3	1966	269,500
4	1965	270,000
5	1967	274,000
6	1968	282,000

Source: (1) Regional Economic Base Study, Johnstown, Pennsylvania, Prepared for Simonds and Simonds, by Larry Smith and Company.

(2) National Planning Association, Economic and Demographic Projections for Two Hundred and Twenty-Four Metropolitan Areas, Vol. I, Regional Economic and Projections Series, Report No. 67-R-1. (Prepublication)

(3) Annual Population Estimates (May 1967), issued by the Pennsylvania State Planning Board.

(4) Bureau of the Census, U. S. Department of Commerce, Statistical Abstract of The United States, (1967) Table I, Metropolitan Area Statistics.

(5) Estimated by assuming Cambria County to represent 73% of the total population of the Labor Market Area and utilizing the figure of 199,960 for Cambria County provided in The County Statistical Report prepared by the Cambria County Community Action Council, Inc. (1966).

(6) Pennsylvania Bureau of Employment Security, Bimonthly Labor Market Report (ES-219) Johnstown Labor Market Area, May 15, 1968 - July 15, 1968.

TABLE B-5

ESTIMATED ABSOLUTE AND RELATIVE AGE DISTRIBUTION OF THE JOHNSTOWN LABOR MARKET AREA POPULATION 1965 COMPARED WITH 1960

Age	Relative Distribution 1960	Relative Distribution 1965	Absolute Distribution 1965
0-4	10.6	10.7	28,947
5-9	10.5	10.9	29,513
10-14	9.9	10.4	28,060
15-19	7.8	7.5	20,206
20-24	5.0	4.0	10,776
25-29	5.1	3.9	10,578
30-34	6.3	5.7	15,412
35-39	7.0	6.8	18,393
40-44	7.0	7.3	19,739
45-49	6.5	7.1	19,170
50-54	5.4	6.0	16,220
55-60	4.6	4.9	13,126
60-64	4.0	4.0	10,717
65 and over	10.3	10.7	28,867

Source: 1960 data: U. S. Bureau of the Census, Census of Population, 1960.

1965 data: See text discussion as well as the appendix to the manpower projections section of this report.

TABLE B-5

POPULATION OF THE JOHNSTOWN AREA
1950 AND 1960

Area	Population		Change: 1950-1960	
	1950	1960	Number	Percent
S.M.S.A.	291,354	280,733	-10,621	-3.6
Cambria County	209,541	203,283	-6,258	-3.0
Somerset County	81,813	77,450	-4,363	-5.3
Greater Johnstown Area	110,180	112,641	+2,461	+2.2
Area A: C.C.A.C.	111,936	114,086	+2,150	+1.9
City of Johnstown	63,232	53,949	-9,283	-14.7

Source: U. S. Bureau of the Census, Census of Population, 1950 and 1960.

TABLE B-7

ESTIMATES OF THE POPULATIONS OF CAMBRIA AND SOMERSET COUNTIES 1961-1966

YEAR	CAMBRIA COUNTY	SOMERSET COUNTY
1961	201,000	78,000
1962	198,000	78,000
1963	193,000	77,000
1964	194,000	79,000
1965	192,000	79,000
1966[1]	190,000	80,000
Net change 1961-66	-11,000	+2,000
% change 1961-66	-5.5	+2.6

[1] Provisional Estimate

SOURCE: Pa. Department of Internal Affairs, Pennsylvania Statistical Abstract, 1967 ed., pp. 10, 14; 1968.

TABLE B-8

URBAN AND RURAL POPULATION FOR CAMBRIA AND SOMERSET COUNTIES

County	Year	Urban	Rural	Total
Cambria	1900	43,981	60,856	104,837
	1910	81,720	84,411	166,131
	1920	106,827	91,012	197,839
	1930	110,499	92,647	203,146
	1940	114,567	98,892	213,459
	1950	127,653	81,888	209,541
	1960	123,141	80,142	203,283
Somerset	1900	3,024	46,437	49,461
	1910	14,366	53,351	67,717
	1920	16,299	65,813	82,112
	1930	16,665	64,099	80,764
	1940	17,737	67,220	84,957
	1950	17,116	64,697	81,813
	1960	16,242	61,208	77,450

Source: Johnstown Chamber of Commerce, Johnstown, Pennsylvania, Economic and Industrial Survey.

TABLE B-9

ESTIMATES OF THE POPULATIONS OF THE CITY OF JOHNSTOWN AND THE GREATER JOHNSTOWN AREA

	1950	1960	1962	1966	Percent Change 50-60	Percent Change 60-66
City of Johnstown						
Estimate 1	63,232	53,949		51,080	-14.7	-1.0
Estimate 2			51,000	45,000		-11.8
Greater Johnstown Area	111,936	114,086		113,925	+1.92	-0.14

Source: Estimate 1 and Greater Johnstown Area: The Cambria County Community Action Council, Inc., *The County Statistical Report* (1966).

Estimate 2: Pennsylvania Department of Internal Affairs, *Pennsylvania Statistical Abstract* (1968).

TABLE B-10

LABOR FORCE PARTICIPATION RATES BY AGE AND SEX FOR THE JOHNSTOWN LABOR MARKET AREA 1950 and 1960

AGE	MALE		FEMALE	
	1950	1960	1950	1960
Total	74.1	71.3	19.7	25.8
14-19	28.0	25.7	19.7	20.4
20-24	83.5	83.8	41.3	46.1
25-29	90.5	94.6	22.2	27.3
30-34	94.0	95.5	19.1	25.0
35-39	--	94.4	--	27.6
40-44	--	94.7	--	33.2
45-49	--	93.5	--	34.1
50-54	--	88.4	--	31.0
55-59	--	85.2	--	28.3
60-64	--	68.5	--	17.5
65-69	--	28.7	--	9.3
70-74	--	16.7	--	6.1
75-80	--	11.6	--	5.1
80-84	--	7.6	--	1.3
85 and over	--	6.6	--	1.0
35-44	93.4	94.8	20.3	26.3
45 and over	27.6	--	12.1	--

SOURCE: U. S. Bureau of the Census, Census of Population, 1950 and 1960.

TABLE B-11

DISTRIBUTION OF EMPLOYED PERSONS JOHNSTOWN LABOR MARKET AREA 1950-1966 BY INDUSTRY SECTOR

Three-Year Moving Averages
(percent of Nonfarm Wage & Salary Worker Employment)

INDUSTRY	PERIOD														
	1950-1952	1951-1953	1952-1954	1953-1955	1954-1956	1955-1957	1956-1958	1957-1959	1958-1960	1959-1961	1960-1962	1961-1963	1962-1964	1963-1965	1964-1966
NONFARM WAGE & SALARY WORKER EMPLOYMENT	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
DURABLE GOODS MANUFACTURING	23.9	24.7	24.3	25.3	25.1	26.6	26.1	25.5	25.0	24.2	23.6	22.3	23.3	24.3	24.9
NONDURABLE GOODS MANUFACTURING	6.9	7.0	7.6	8.0	8.4	8.4	8.4	8.7	9.3	9.9	10.4	10.9	11.3	11.0	10.7
Metals & metal products, machinery & transportation equipment	21.6	22.5	22.1	23.3	23.1	24.6	24.0	23.5	22.9	22.0	21.4	20.1	20.9	21.9	22.4
Apparel & related products	3.7	3.9	4.4	4.8	5.3	5.4	5.5	5.6	6.2	6.6	7.0	7.4	7.7	7.6	7.3
Mining	23.7	22.0	20.0	17.6	15.9	14.8	13.9	12.4	10.5	9.1	8.3	7.8	7.3	7.0	6.9
Contract construction	2.8	2.8	2.7	2.5	2.5	2.6	2.7	3.0	2.9	2.9	2.8	3.0	3.0	2.9	2.9
Transportation & public utilities	7.6	7.6	7.7	7.6	7.5	7.2	7.1	7.3	7.4	7.4	7.4	7.3	7.1	7.3	7.3
Wholesale & retail trade	16.0	16.1	16.5	16.7	17.1	17.1	17.7	17.7	17.8	18.0	18.0	17.9	17.2	16.6	16.2
Finance, insurance & real estate	1.8	1.9	2.0	2.0	2.1	2.0	2.1	2.3	2.4	2.6	2.7	2.6	2.5	2.6	2.5
Service & miscellaneous	9.1	9.6	10.3	10.7	11.2	11.1	11.6	12.1	12.8	13.4	13.6	14.1	14.2	14.2	14.0
Government	8.2	8.4	9.1	9.7	10.2	10.2	10.4	10.9	11.7	12.4	13.2	14.0	14.1	14.2	14.3

Source: Bureau of Employment Security, Commonwealth of Pennsylvania, Department of Labor and Industry: TOTAL CIVILIAN WORK FORCE, UNEMPLOYMENT & EMPLOYMENT BY INDUSTRY, IN JOHNSTOWN LABOR MARKET AREA: ANNUAL AVERAGES 1950 THROUGH 1966.

TABLE B-12

OCCUPATIONAL DISTRIBUTION OF THE LABOR FORCE
JOHNSTOWN LABOR MARKET AREA
1950 AND 1960

Occupation Group	Percentage of Labor Force 1950	Percentage of Labor Force 1960	No. of Labor Force in Occ. Group 1950	No. of Labor Force in Occ. Group 1960
Professional technical & kindred	6.4	6.2	6,301	4,214
Farmers & farm managers	2.7	2.4	2,705	1,630
Mgs., off'ls, & propr. exc. farm*	5.8	7.1	5,754	4,798
Clerical and kindred	7.5	5.4	7,429	3,701
Sales workers	6.5	5.5	6,438	3,715
Craftsmen, foreman, & kindred	15.1	22.2	14,938	15,065
Operatives & kindred	34.2	29.0	33,830	19,717
Private household workers	1.4	0.1	1,390	42
Service workers, exc. priv. household	5.8	4.7	5,712	3,194
Farm laborers & farm foremen	2.0	1.6	2,026	1,070
Laboreres, exc. farm & mine	9.7	13.1	9,625	8,870
Occupation not reported	2.9	2.8	2,911	1,897
Total	100.0	100.1	99,059	67,913

* Includes self-employed.

Sources: Totals compiled and percentages calculated from data on the employed and the unemployed in Tables 74 and 75, U. S. Census of Population, 1960, Pennsylvania--General Social and Economic Characteristics, Final Report, PC(1)-40C; and U.S.Census of Population, 1950, Vol. II, Characteristics of the Population: Part 38-- Pennsylvania, Table 35.

TABLE B-13

POPULATION, LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT AND ECONOMIC DEPENDENCY JOHNSTOWN LABOR MARKET AREA, 1950-1966

YEAR	POPULATION* ('000s)	CIVILIAN LABOR FORCE (in '000s)**			UNEMPLOYMENT RATE (%)	UNEMPLOYMENT RATE U. S.
		TOTAL	EMPLOYED	UNEMPLOYED		
1950	292	104.5	96.8	7.7	7.4	5.3
1951	289	104.3	100.0	4.3	4.1	3.3
1952	290	102.3	94.6	7.7	7.5	3.0
1953	292	103.4	96.4	7.0	6.8	2.9
1954	292	102.7	86.4	16.3	15.9	5.5
1955	288	98.9	88.4	10.5	10.6	4.4
1956	287	96.4	88.9	7.5	7.8	4.1
1957	285	99.9	93.1	6.8	6.8	4.3
1958	285	100.5	84.7	15.8	15.7	6.8
1959	285	96.9	80.6	16.3	16.8	5.5
1960	280	95.5	83.2	12.3	12.9	5.5
1961	279	93.7	76.6	17.1	18.2	6.7
1962	276	90.8	77.1	13.7	15.1	5.5
1963	274	88.1	78.8	9.3	10.6	5.7
1964	273	88.2	81.9	6.3	7.1	5.2
1965	271	90.0	84.9	5.1	5.7	4.5
1966	270	91.1	86.9	4.2	4.6	3.8

Civilian labor force and employment figures for 1952, 1956, and 1959 "exclude a significant number of persons, not at work and not seeking work, because they are directly involved in a labor-management dispute.

*Estimates of population as of July 1 in each year.

**Annual monthly averages.

Source: (a) Commonwealth of Pennsylvania, Department of Internal Affairs, PENNSYLVANIA PERSONAL INCOME AND POPULATION BY COUNTY FOR SELECTED YEARS 1929-1963 (Report No. IP-1, May 1965; Table 8, pp. 24-25.

(b) __________, PENNSYLVANIA STATISTICAL ABSTRACT, 1967; Table 6, p. 10.

(c) Bureau of Employment Security, Commonwealth of Pennsylvania, Department of Labor and Industry: TOTAL CIVILIAN WORK FORCE, UNEMPLOYMENT & EMPLOYMENT BY INDUSTRY, IN JOHNSTOWN LABOR MARKET AREA: ANNUAL AVERAGES 1950 THROUGH 1966.

TABLE B-14

TOTAL PERSONAL INCOME BY MAJOR TYPE OF PAYMENT FOR JOHNSTOWN SMSA, SUM OF ALL MIDEAST SMSA'S AND THE UNITED STATES: 1966

Income Type	Johnstown		Mideast SMSA's		United States	
	Millions of $	% of T.P.I.	Millions of $	% of T.P.I.	Millions of $	% of T.P.I.
Total Personal Income (T.P.I.)	586.8	100	127,702.7	100	580,483.0	100
Wages & Salaries	399.6	68.1	88,524.5	69.3	391,066.0	67.3
Other Labor Income	24.1	4.1	4,684.1	3.7	20,792.0	3.4
Proprietor's Income	52.9	9.0	9,484.7	7.4	59,277.0	10.2
Property Income	60.5	10.3	19,844.2	15.5	83,258.0	14.3
Transfer Payments	68.9	11.7	9,180.8	7.2	43,917.0	7.6
S.S. Contributions	19.3	-3.3	4,015.7	-3.1	17,827.0	-3.1

Source: Department of Commerce, Office of Business Economics, Survey of Current Business, August 1968.

TABLE B-15

RELATIVE CONTRIBUTION OF EARNED INCOME TO TOTAL PERSONAL INCOME BY INDUSTRIAL SOURCE FOR JOHNSTOWN SMSA, SUM OF ALL MIDEAST SMSA'S AND THE UNITED STATES: 1966

Earnings Source	Percent of Total Personal Income		
	Johnstown	Mideast SMSA's	United States
Total Earnings	81.2	80.4	81.2
Farm	1.4	0.4	3.2
Government	9.3	11.1	13.0
Federal Civilian	1.1	4.2	3.5
Military	0.4	1.2	2.2
State and Local	7.8	5.7	7.4
Private Non-farm	70.4	67.9	64.9
Manufacturing	31.6	25.1	24.4
Mining	7.2	0.2	0.9
Contract Construction	3.4	4.5	4.9
Transportation, et al.	5.6	6.3	5.7
W & R Trade	11.4	13.6	13.6
Financial, et al.	2.0	5.2	4.0
Services	9.1	12.9	11.1

Source: Department of Commerce, Office of Business Economics, Survey of Current Business, August 1968.

TABLE B-16

RELATIVE CONTRIBUTION TO TOTAL PERSONAL INCOME BY SOURCE FOR JOHNSTOWN SMSA

Earnings Source	1959	1962	1966
Total Earnings	80.4	78.0	81.2
Farm	2.1	1.4	1.4
Government	7.6	8.5	9.3
Federal Civilian	0.1	1.1	1.1
Military	0.5	0.5	0.4
State and Local	6.2	7.0	7.8
Private non-farm	70.6	68.0	70.4
Manufacturing	26.2	28.8	31.6
Mining	11.3	6.9	7.2
Contract construction	3.2	3.1	3.4
Transportation; *et.al.*	6.4	6.6	5.6
W & R Trade	13.6	12.4	11.4
Financial *et.al.*	2.0	1.9	2.0
Services	7.9	8.3	9.1
Property Income	9.0	10.6	10.3
Transfer Payments	12.7	13.8	11.7

Source: Department of Commerce, Office of Business Economics, *Survey of Current Business*, August 1968.

Percentages will not add to 100 due to not netting out social security contributions.

TABLE B-17

TOTAL PERSONAL INCOME AND PER CAPITA INCOME FOR JOHNSTOWN SMSA 1940-1966

Year	Total Personal Income (Millions of $)	Per Capita Income $
1940	152	528[1]
Percent of U. S.[2]	.19	89
1950	343	1213[1]
Percent of U. S.	.15	81
1959	430	1550
Percent of U. S.	.11	72
1966	587	2156
Percent of U. S.	.10	73

[1] Altoona S.M.S.A. combined with Johnstown S.M.S.A.

[2] Per Capita income is percent of national average.

Source: Department of Commerce, Office of Business Economics, Survey of Current Business, August 1968.

TABLE B-18

AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS

Johnstown LMA, Pennsylvania, United States
Manufacturing Sector, 1960 to 1965

INDUSTRY AND AREA	YEAR AND AVERAGE HOURLY EARNINGS						PERCENT CHANGE 1960-1965
	1960	1961	1962	1963	1964	1965	
All Manufacturing		(all figures are in current dollars)					
Johnstown	2.54	2.53	2.60	2.66	2.75	2.85	12.20
Pennsylvania	2.31	2.35	2.41	2.48	2.55	2.66	15.15
United States	2.26	2.32	2.39	2.46	2.53	2.61	15.49
Durable Goods Manufacture							
Johnstown	2.89	2.95	3.08	3.12	3.14	3.26	12.80
Pennsylvania	2.57	2.62	2.71	2.75	2.83	2.89	12.45
United States	2.43	2.49	2.56	2.63	2.71	2.79	14.81
Non Durable Goods							
Johnstown	1.50	1.56	1.61	1.62	1.70	1.72	14.67
Pennsylvania	1.94	1.99	2.03	2.09	2.14	2.22	13.85
United States	2.05	2.11	2.17	2.22	2.29	2.39	16.59
Metals*							
Johnstown	2.99	3.08	3.21	3.22	3.27	3.39	13.38
Pennsylvania	2.66	2.72	2.80	2.86	2.92	2.98	12.03
United States	2.57	2.63	2.71	2.78	2.86	2.94	14.40
Apparel							
Johnstown	1.33	1.37	1.45	1.50	1.58	1.60	20.30
Pennsylvania	1.56	1.59	1.63	1.68	1.76	1.82	16.67
United States	1.59	1.64	1.69	1.73	1.79	1.83	15.09

*Weighted Average of Industry SIC 33 through 37.

Source: (1) United States Department of Labor, Bureau of Labor Statistics, Employment and Earnings Statistics for States and Areas 1939-65, Issued June, 1966, Bulletin No. 1370-3.

(2) United States Department of Labor, Bureau of Labor Statistics, Employment and Earnings Statistics for the United States 1909-66, Issued October, 1966, Bulletin No. 1312-4.

TABLE B-19

DISTRIBUTION OF FAMILY INCOME FOR CAMBRIA AND SOMERSET COUNTIES AND PENNSYLVANIA: 1960

Income	STATE				CAMBRIA				SOMERSET	
	All Families		Non-white Families		All Families		Non-white Families		All Families	
Bracket	Number	%[1]	Number	%[1]	Number	%[1]	Number	%[1]	Number	%[1]
ALL	2902611	100.0	189465	100.0	50689	100.0	726	100.0	19870	100.0
$0-999	110079	3.4	15741	8.3	2411	4.7	97	13.3	1485	7.5
1,000-1,999	164512	5.7	21646	11.4	4045	8.0	121	16.7	2363	11.9
2,000-2,999	213363	7.3	23841	12.6	5785	11.4	77	10.6	2771	13.9
3,000-3,999	284659	9.8	29339	15.5	6613	13.0	137	18.9	3152	15.9
4,000-4,999	378647	13.0	29281	15.5	8614	17.0	112	15.4	2974	14.7
5,000-5,999	417247	14.4	22817	12.0	7580	15.0	90	12.4	2439	12.3
6,000-6,999	339753	11.7	15330	8.1	4896	9.7	55	7.6	1473	7.4
7,000-7,999	259375	8.9	10408	5.5	3389	6.7	20	2.8	1037	5.2
8,000-8,999	192959	6.6	6981	3.7	2327	4.6	4	0.6	704	3.5
9,000-9,999	137199	4.7	5032	2.7	1574	3.1	4	0.6	442	2.2
10,000-14,999	285665	9.8	7720	4.1	2517	5.0	9[2]	1.2	726	3.7
15,000-24,999	87275	3.0	1150	0.6	676	1.3			231	1.2
25,000+	31878	1.1	179	0.1	262	0.5			73	0.4
Median family income	$5,719		$4,142		$4,753				$4,055	

[1] Figures may not total due to rounding.

[2] $10,000 and over.

SOURCE: U. S. Department of Commerce, Bureau of the Census, United States Census of Population 1960; Pennsylvania. Tables 86, 88 and 133.

TABLE B-20

JOHNSTOWN NEIGHBORHOOD CHARACTERISTICS: 1966

NEIGHBORHOOD	% of Total Juvenile Delinquency	% Unemployed	Median Yrs. Schools (25 + age)	Median Family Income	Median Home Values[1]	% Sub-Standard Units
Central Business District	3.9	4.4	9.1	$4,435	$9,700	32.8
Kernville	12.8	6.9	9.3	4,535	7,500	23.5
Hornerstown	11.8	3.6	9.7	4,839	8,900	32.1
Walnut Grove	4.9	7.9	9.1	4,055	8,200	15.7
Moxham	3.9	3.5	10.6	4,896	9,700	16.7
Roxbury - Osborne	3.9	1.8	11.4	5,678	11,800	20.7
Conemaugh	10.8	6.7	8.9	4,693	6,400	53.2
Woodvale	4.9	5.4	8.7	4,463	6,100	48.8
Prospect	24.5	8.7	8.7	3,832	5,300	47.0
Cambria City	2.0	3.3	9.0	4,410	8,200	30.1
Oakhurst-Morrellville	13.7	2.7	9.3	4,654	9,400	10.8
Coopersdale	2.9	6.6	9.5	4,234	9,400	17.5
Total	100.0			4,674		24.6

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[1] Data for 1960. Cambria County Planning Commission. City of Johnstown Neighborhood Analysis. February 15, 1967.

TABLE B-21

RELATIVE DISTRIBUTION OF EDUCATIONAL ATTAINMENT AND MEDIAN YEARS OF SCHOOL COMPLETED OF POPULATIONS OF CAMBRIA AND SOMERSET COUNTIES AND THE UNITED STATES 25 YEARS AND OVER: 1960

Years of School	Cambria	Somerset	United States
None	2.8	2.9	2.3
1-4	6.2	7.0	6.1
5-7	19.5	18.4	13.7
8	21.6	27.1	17.4
High School			
1-3	16.8	13.4	19.3
4	25.4	23.5	24.3
College			
1-3	4.6	4.1	8.7
4 or more	4.3	3.5	7.6
Median Years of School			
Male	8.9	8.7	10.3
Female	9.6	8.9	10.9

Source: U. S. Bureau of the Census, United States Census of Population, 1960.

TABLE B-22

DISTRIBUTION OF POST-HIGH SCHOOL ACTIVITY, CLASS OF 1965

(Percent Distribution)

ACTIVITY	CAMBRIA		SOMERSET		STATE	
	Public	Non Public	Public	Non Public	Public	Non Public
College						
Community	0.7	0.0	0.0	0.0	1.2	2.2
Junior	1.2	1.1	1.8	0.0	2.9	3.7
State	7.2	6.6	11.4	23.0	10.1	6.4
Other	13.8	27.7	11.7	15.4	20.5	31.5
Vocational or Technical Schools	3.8	4.0	5.0	0.0	4.7	3.6
Nursing School	4.1	7.9	4.0	0.0	3.1	4.1
Business School	3.5	7.2	4.1	0.0	4.1	3.2
Other Schools	2.2	3.7	5.4	0.0	2.8	2.2
Post Graduates	0.0	5.0	0.4	0.0	0.3	0.4
Armed Forces	6.0	0.5	6.2	0.0	5.8	3.3
Sales	2.8	8.4	2.6	0.0	4.4	2.6
Office Employment	9.1	0.7	7.6	0.0	10.2	17.7
Factory Work	8.6	1.0	6.3	0.0	6.9	2.4
Trades	1.3	0.8	4.7	15.4	2.6	1.5
Apprentice Training	0.8	0.8	1.0	7.7	1.1	0.7
Agricultural Work	0.5	0.1	2.4	7.6	0.9	0.1
All Others	34.6	24.5	24.6	30.8	18.3	14.5

Source: Computed from Pennsylvania Department of Public Instruction, *Statistical Report of the Superintendent of Public Instruction* (Statistical Series no. 13), 1968. Johnstown Area, 1964. The Bureau of Statistics, *Pennsylvania Statistical Abstract*, 1960.

TABLE B-23

RELATIVE DISTRIBUTION OF EXPENSES OF INSTRUCTION (1965-66)

Category	Cambria	Somerset	State
Principals	4.0	3.1	4.0
Consultants and Supervisors	1.5	1.1	1.4
Teachers	83.9	83.6	81.1
Librarians	1.2	1.7	1.3
Guidance-Personnel	1.5	2.0	2.1
Other Instructional Staff	0.1	.0	0.3
Textbooks	1.4	1.3	1.8
Teaching Supplies	3.3	3.3	3.2
Library Books & Supplies	0.5	0.8	0.7
Audio-Visual Materials	0.2	0.4	0.4
Other	2.3	2.8	3.6

Source: Computed from Pennsylvania Department of Public Instruction, Statistical Report of The Superintendent of Public Instruction, (Statistical Series No. 13), 1968.

TABLE B-24

THE AGE DISTRIBUTION (PERCENT) OF PUBLIC SCHOOL BUILDINGS FOR THE STATE (1965-66) AND JOHNSTOWN SCHOOL SYSTEM (1964)

Age Buildings Constructed	State	Johnstown* School System
Prior to 1900	11.6	24.0
1900 - 1909	7.4	16.0
1910 - 1919	13.0	20.0
1920 - 1929	20.3	32.0
1930 - 1939	12.6	0.0
1940 - 1949	2.6	0.0
1950 - 1959	21.8	0.0
1960 - 1969	10.6	4.0

*Will not total 100 due to exclusion of one school, the age of which is not available.

Source: Simonds and Simonds, What Future Do Kids Have Around Here, Planning Consultants for the Regional Planning Commission of the Johnstown Area.

Pennsylvania Department of Public Instruction, Statistical Report of the Superintendent. (Statistical Series No. 13), 1968.

APPENDIX C

METHODOLOGY FOR MANPOWER AND PAYROLL PROJECTIONS

Methodology for Population and Labor Force Projections

The method employed to arrive at the detailed population projections in the text was to use a type of cohort-survival method.

To arrive at migration rates, the population of the two-county area was projected from 1950 to 1960 by age-sex categories assuming 0 net-migration. The 1950 and 1960 population distributions were from the Census and the specific birth and death rates were from Pennsylvania Vital Statistics. The difference between the projected estimates and the actual 1960 figures yielded the migration figures for the particular categories. These figures were then adjusted to rates per thousand per annum.

All three rates were adjusted according to their relative contribution to the total to conform with the overall rates assumed for the different projections.

In terms of the total population the method is the following:

P_τ is the total population in year τ

b is the birth rate

d is the death rate

m is the net-migration rate

Therefore $P_{\tau + 1} = (b + d + m). + P_\tau$

However, this procedure was carried out annually for each age-sex category. P^i_τ represents the population for a particular group (i), therefore; $P^i_{\tau+1} = P_\tau \, (d^i + m^i) + P^i_\tau$ represents the population of this group in the year $P_{\tau+1}$ and the procedure P^i_τ (b) was carried out only by age group and the resulting increased population added to the relevant age category.

The population projection's consistency with the employment projection was tested by assuming a labor force participation rate, an unemployment rate, and the relative number of persons who are not qualified to be in the labor force.

Let P equal population
A equal the number of persons qualified by definition to be in the labor force
O equal those not qualified
L equal the labor force
E equal employment which is given
U equal unemployment

then: (1) $o = \frac{O}{P}$ which is assumed

(2) $n = \frac{L}{A}$ which is assumed

(3) $u = \frac{U}{L}$ which is assumed

Since $P = A + O$, it is necessary to solve for A and O.

(a) Solve for L from $L = U + E$ substituting (3) yields $L = \frac{E}{(1-u)}$.

(b) Solve for A from (2) where $A = \frac{L}{n}$

(c) Solve for P from (1) and $P = A + O$ which yields $P = \frac{A}{(1-o)}$.

This latter technique is more general than the first, but it has the advantage as pointed out in the text of making the population projection consistent with the employment forecast this is a highly desirable characteristic for such a forecast.

The assumed labor force participation rate utilized in the second method was derived from an inspection of the two overall participation rates derived from the population projections given by the first method. The overall participation rates were found by applying assumed participation rates to the age-sex categories as previously derived.

The specific labor force participation rates were assumed to have the same percentage point change as those projected nationally in the Manpower Report of the President. This method was applied consistently to allow for the single assumption involved, and also the results seem quite reasonable in light of the trends in the Johnstown labor force. The direction of change is consistent with past trends, particularly in increasing the participation of females. Decreased are the participation of 14-19 males and increased, the participation of 14-19 females. Secondly, it was felt that any deviations from these participation projections based upon careful scrutiny of each age-sex group would have a very minor impact upon the results, which basically are intended to be illustrative.

Methodology for Employment Projections

Projections were made by fitting trends to the ratio of local Johnstown industry employment to that of the national industry.[1] The basic assumptions involved here have been discussed in the text.

Since this method assumes a trend relationship between local and national employment, only monotonic functions were fitted to the curves. Other than the linear function $y = a + bx$, $\log y = a + bx$, $y = a + b \log x$, and $\log y = a + b \log x$, were also used. Once the trend was fitted, the employment ratio for 1975 was computed from the equation: $\frac{n_1 75}{N_L 75}$ and multiplied by the Bureau of Labor Statistics projected national employment for

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[1] The methods used for the industry, occupation and replacement demand projections are those presented in U. S. Department of Labor, Bureau of Labor Statistics, Tomorrow's Manpower Needs (prepublication copy) and Bureau of Employment Security, Handbook: Projecting Manpower Requirements and Resources - States and Areas (prepublication copy). Tables of retirement rates are from the latter publication. See also references cited in this Appendix for other works used in a general manner.

1975 N_L75, thus yielding an estimate of local industry employment for 1975: n_l75.

This procedure was carried out from 1940 to 1960 utilizing Census data, and from 1960 to 1967 using Bureau of Employment Security data on insured unemployment. There are a number of differences between the definitions used in these two series. The Census includes those people working for pay 14 years of age and over; unpaid family workers who worked 15 hours or more a week as well as those who are temporarily layed off. The Bureau of Employment Security on the other hand excludes those workers who are laid off and unpaid family workers, as well as domestics, self-employed, workers for non-profit organizations, and those engaged in interstate railroad transportation. The Bureau of Employment Security also is on a work force basis which counts double job holdings.

Since the 1975 national employment projections are on a Census-based definition, the Bureau of Employment Security figures had to be adjusted to a Census base. It has been recommended that this be done by adjusting the Bureau of Employment Security figures for nonwage and salary employment. This method was deemed unsatisfactory. Table C-1 shows the ratio of the Bureau of Employment Security data to Census data by industry as well as the ratio of Census wage and salary employment to total employment by industry. It is obvious that, in most cases, a wage and salary adjustment will not accurately correct for the differences in the two series.

The method used was to correct the 1975 ratio of local to national industry employment utilizing the following method. Let e_c^6 stand for local industry employment in 1960 on a census base, and e_b^6 on a Bureau of Employment Security base, and E_c^6 stand for national industry employment on Census Base and E_b^6 on a Bureau of Employment Security base for 1960. Similarly for e_c^7, e_b^7, E_c^7, and E_b^7 for 1975 for a given industry. Then having computed by the

TABLE C-1

COMPARISON OF THE BUREAU OF EMPLOYMENT SECURITY DATA WITH CENSUS DATA: 1960 EMPLOYMENT

Industry	Bureau of Employment Security/Census	Wage and Salary/ Total (Census)
Agriculture, Forestry, Fisheries	0.02	.37
Mining	1.04	.98
Construction	0.59	.60
Lumber and Wood	0.86	.83
Furniture and Fixtures	1.02	.86
Stone, Clay and Glass	0.97	.98
Metals	1.01	1.00
Nonelectric Machinery	0.96	.94
Electric Machinery	0.99	1.00
Transportation and Equipment	0.92	.99
Food and Kindred	0.92	.96
Textiles	0.92	.95
Apparel	0.98	1.00
Paper	1.09	1.00
Printing	1.02	.97
Chemicals	0.77	.92
Petroleum	0.96	1.00
Leather	0.74	.94
Miscellaneous Manufacturing	1.06	.94
Transportation	0.92	.91
Communications	0.53	1.00
Utilities	0.99	.88
Wholesale Trade	0.66	.84
Retail Trade	1.24	.80
Finance, *et al*	0.73	.85
Miscellaneous Business Services	0.83	.69
Hotels	0.62	.74
Entertainment	1.15	.84
Medical and Health Services	0.80	.50

method described above $\frac{e_b^7}{E_b^7}$, this is multiplied by: $\frac{e_c^6}{E_c^6} \cdot \frac{E_b^6}{e_b^6}$, which may be written $\frac{e_c^6}{e_b^6} \cdot \frac{E_b^6}{E_c^6}$. From this, it is seen that if

if the relationships between Census and Bureau of Employment Security data hold stable over the years both locally and nationally, and when the multiplication is carried out with the last step included, which is the calculated ratio times the Bureau of Employment Security 1975 national census base projection then: $\frac{e_c^7}{e_b^7} \cdot \frac{E_b^7}{E_c^7} \cdot \frac{e_b^7}{E_6^7} \cdot E_c^7 =$ e_c^7; which is the 1975 projection for a given industry on a Census basis arrived at by utilizing the Bureau of Employment Security data.

Utilizing Census definitions adjustment has to be made for "industry not reporting". This was done for 1960 by applying the percentage contribution of each industry to the total for reporting industries to the "not reporting" category and then adding the computed "not reported" component to the "reported" component. For 1975 the same procedure was carried out once the "not reporting" total was calculated. This was done by assuming the ratio of "not reporting" to "total reporting" will be the same in 1975 as it was in 1960.

To obtain 1975 figures on a Bureau of Employment Security base, the relative change in the Census data from 1960 to 1975 was applied to the 1960 Bureau of Employment Security data.

The Bureau of Employment Security data utilized were from unpublished worksheets generously provided by Mr. William C. Diosegy, Deputy Secretary for Employment Security, Bureau of Employment Security, Harrisburg. A comparison of this series with that presented in the Bureau of Employment Security, Monthly Labor Market Letter, Johnstown Area, is made in Table C-2 for broad industrial categories for March of 1967.

There are slight differences in certain categories which are of no major concern. The major differences are in agriculture, transportation and public utilities, and wholesale and retail trade.

In agriculture only 75 employees were covered under law, and the discrepancy in the transportation category is due to lack of total coverage. The estimates presented in the Monthly Labor Market Letter (MLML) were accepted for present purposes and the projections in these two categories followed the Monthly Labor Market Letter estimates.

There appears to be no ready explanation for the difference in the wholesale and retail trade category. If the Monthly Labor Market Letter figure included self-employed, family and domestic workers, the figure of 11.9 would not be too far off. However, these workers are estimated in a separate category.

Secondly, miscellaneous manufacturing in the data sheet figures is included with the manufacturing total which is still less than the Monthly Labor Market Letter, and further only represents 242 employees. The data sheets report zero covered employment in forestry, and since in 1960 the Census reported only 28 employees in this category, it is unlikely that the 0 figure is very far off. If one adjusts the data sheet figure for welfare and nonprofit organizations, it would bring the figure to about 6.1 thousand (assuming this segment is 10% of all other services as it was in 1960 according to the Census). This still leaves a discrepancy of 5 thousand employees.

The projections assume that the Monthly Labor Market Letter overstates employment for this category (as well as for the total) and will utilize the Bureau of Employment Security concept presented in the data sheets.

TABLE C-2

INDUSTRY EMPLOYMENT FOR THE JOHNSTOWN LABOR MARKET AREA FOR MARCH 1967

(thousands)

Industry	B.E.S. Data Sheets	Monthly Labor Market Letter
Agriculture	----	2.7
Mining	4.9	4.9
Construction	1.9	2.0
Manufacturing	25.7	26.1
Durables	18.3	18.7
Non-durables	7.2	7.4
Transportation and Public Utilities	3.6	5.2
Wholesale and Retail Trade	11.8	11.9
Finance, Insurance, and Real Estate	1.9	1.9
Services	5.5	11.1**
Government	11.0*	11.5
Federal	.9	0.9
State and Local	10.1	10.6

*Figures from Bureau of Labor Statistics

**Includes miscellaneous, which includes forestry.

As noted in the table the government data is that of the Bureau of Labor Statistics and includes all government workers regardless of the industry classification in which they work. For example, government educational workers are included under government, not under educational services.

Self-employed, unpaid family and domestic workers was derived by taking the 1960 ratio of this category to all nonfarm employment and applying it to the 1975 figures, assuming the relationship remains stable.

Methodology for Occupational and Payroll Projections

The method for deriving the occupational needs for 1975 uses the following notation:

L_i^{60} = local industry employment in industry i in 1960

N_i^{60} = national industry employment in industry i in 1960

o_{ij}^{60} = the number of individuals in occupation j working in industry i in 1960 on the local level

O_{ij}^{60} = the number of individuals in occupation j working in industry i in 1960 on the national level

$\frac{O_{ij}^{60}}{N_j^{60}} = \lambda_{ij}^{60}$ which is the percentage of industry i's employment made up of workers in occupation j in 1960 on the national level. Superscripts of 75 denote the year 1975. L_i^{60} is given in the 1960 Census for all industries and O_j^{60} is given in the 1960 Census for all occupations.

In Tomorrow's Manpower Needs the two λ_{ij} matrices are given. For 1960:

$$\begin{bmatrix} \lambda_{11} & \lambda_{12} & \text{------} & \lambda_{1n} \\ \lambda_{21} & & & \lambda_{2n} \\ | & & & | \\ | & & & | \\ \lambda_{m1} & \lambda_{m2} & \text{------} & \lambda_{mn} \end{bmatrix}^{60}$$

A similar coefficient matrix is provided to 1975. The method employed was to apply the national coefficients to obtain a series of column vectors such as:

$$\begin{bmatrix} \lambda_{11}^{60} \cdot L_1^{60} \\ \lambda_{21}^{60} \cdot L_2^{60} \\ | \\ | \\ \lambda_{m1}^{60} \cdot L_m^{60} \end{bmatrix} \quad \text{the n sum to obtain } \sum_{i=1}^{m} \lambda_{ij}^{60} \cdot L_i^{60}$$

This process is then carried out for all j. It is then repeated using the 1975 coefficient matrix and the 1975 local industry employment estimates previously derived yielding

$$\sum_{i=1}^{m} \lambda_{ij}^{75} \cdot L_i^{75} \cdot \sum_{i=1}^{m} \lambda_{ij}^{60} \cdot L_i^{60}$$

This is an estimate of the total number of individuals in occupation j for 1960, if the local industries had the same relative labor production coefficients as the national industries. The assumption utilized by this method is not that the production coefficients locally are the same as they are nationally, but rather that the manner of change in the coefficients will be the same. The local coefficients are assumed to follow the national pattern.

On this assumption the last step in the method is:

$$\frac{\sum_{i=1}^{m} \lambda_{ij}^{75} \cdot L_{i}^{75}}{\sum_{i=1}^{m} \lambda_{ij}^{60} \cdot L_{i}^{60}} \cdot \sum_{i=1}^{m} o_{ij}$$

This procedure was carried out for all n occupations, thus yielding the estimated number of workers who will be required in each occupational category in the Johnstown area in 1975. This does not reveal, however, the number of workers who will be required in each occupation over the period from now until 1975. In order to obtain some idea of this, the number of persons in each occupation who must be replaced must be estimated.

Replacement Demand. This was calculated utilizing tables of working life for males and females by age category. The occupational age breakdown was obtained from Census Table 123 for 1960. The number of persons in an age-sex occupational category was multiplied by the separation rate for that age-sex grouping. In each occupation, this was done for each age-sex group and then all age-sex groups within an occupation were summed. This was done for all occupations. As indicated in the text, these calculated replacement totals are presented as a percentage of all workers in the occupation for 1960.

Payroll. The payroll projections have been derived on the assumption that the employment projections are correct. Given the employment projection for March of 1975 the industry payrolls for the first quarter of 1975 will be as given. This does, however, involve assumptions other than those underlying the employment forecasts.

It is assumed that the ratio of March 1967 employment to the entire first quarter employment for 1967 is the same as the

1975 March-first quarter employment ratio. On this basis the payroll per employee (per first quarter) was projected by assuming that the relative increase from 1967 to 1975 would be the same as it was in the equal time period of 1960 to 1967. The validity of this method relies upon certain underlying premises. First it is assumed that wage rates will experience relatively equal increases for the two periods and that the relative change in skill mix will be the same for the two periods. Underlying, this is the implicit expectation that inflation, unions, and relative labor supplies will affect wages to the same relative degree in future years as they did from 1960 to 1967.

The payroll-per-employee which was projected is essentially the monthly average industry wage rate times three, since payroll represents "all remuneration (including the cash value of mediums of payment other than cash) paid by covered employers during the first quarter of the year for services performed." This means that the further assumption was made that hours per month worked alter in the same relative manner in both periods.

Let P_i^{60} equal the first quarter payroll for 1960 and n_i^{60} equal March employment for 1960 for industry i. The $W_i^{60} = \frac{P_i^{60}}{n_i^{60}}$.

Using similar notation for 1967 and 1975, the payroll projections were simply derived:

$$P_i^{75} = \left(\frac{W_i^{67} - W_i^{60}}{W_i^{60}} \times W_i^{67} + W_i^{67} \right) \cdot n_i^{75} .$$

This was done for all 29 industries.

TABLE C-3

COMPARISON OF PROJECTIONS FOR JOHNSTOWN LABOR MARKET AREA FOR 1975

Projection	Present Study[1]	National Planning Association[2]	Larry Smith and Company[3]	Pennsylvania Department of Community Affairs[4]	Pennsylvania State Planning Board[5]	U. S. Bureau of the Census[6]
Population	283,000	277,400	283,000		264,605	246,000
Labor Force	92,400			97,300		
Unemployment	5.5%		24.2%	13.3%		
Employment (Total) Mfg.	91,670	93,800	75,350	84,400		
Agriculture	2,670	2,500		1,300		
Mining	4,840	3,700		1,100		
Construction	3,000	3,600		4,400		
Manufacturing	27,480	27,200		29,100		
Transportation, et al.	7,090	6,800		4,700		
Trade	13,720	15,000		16,200		
Finance, et al.	2,250	2,400		2,900		
Services	7,000	16,700		21,800		
Government	14,070	16,000		2,700		
Self-Employed	9,550					
Occupations						
Professional, etc.				39,700		
Craftsmen, etc.				31,800		
Services				13,000		
Personal Income (Mills)		910.6				
PAYROLL (Mills)	10.5					

---

[1] Occupation employment not included because of lack of consistency with categories of Pennsylvania Department of Community Affairs.

[2] Prepublication projections provided by Dr. B. D. Hong of the National Planning Association, Center for Economic Projections.

[3] Regional Economic Base Study, Johnstown, Pennsylvania, prepared for Simonds and Simonds, Pittsburgh, Pennsylvania, By Larry Smith and Company, 1963, Alternative II.

[4] Commonwealth of Pennsylvania, Department of Community Affairs 1967. Manpower in Pennsylvania, 1940-1963, Projections to 1980 (Vol. II) Medium Projection given, Unemployment rate computed. Government category refers to public administration only.

[5] State Planning Board. The Population of Pennsylvania, Projections to 1980, 1963.

[6] Bureau of the Census. United States Statistical Abstract, 1968.

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(2) Sall, A., "Estimated Need for Skilled Workers, 1965-75," *Monthly Labor Review*, April 1966.

(3) Spengler, J. J., *Aspects of the Manpower Prospect 1966-1985*, address before The W. E. Upjohn Institute for Employment Research, Conference Commemorating Two Decades of Service, October 7, 1966.

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Russell Flanders and Ron Kutcher of the Bureau of Labor Statistics.

Mel Rottenberg of the Appalachia Commission.

Robert Graham of the Office of Business Economics.

Stuart Garfinckle and Joe Epstein of the Manpower Administration.

Leonard Lecht of the National Planning Association.

Irwin Wingeard and Al Garizio of the U. S. Employment Service.

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(2) Hansen, W. Lee, "Labor Force and Occupational Projections," The Proceedings of the Eighteenth Annual Meeting, Industrial Relations Research Association, December 1965.

(3) Harms, L., "The Supply of Human Resources and the Demand for Manpower in Pennsylvania's Counties: The Example of Bucks County," Economic and Business Bulletin, Vol. 18, No. 4, Bureau of Economic and Business Research School of Business Administration, Temple University.

(4) Harms, L., et al., A Manual for the Development of Estimates of Future Manpower Requirements for Training Purposes, Bureau of Economic and Business Research, Temple University, March 1966.

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(15) U. S. Department of Labor, Bureau of Employment Security, *Estimating Population of Labor Market Areas*, Handbook Series, March 1960.

(16) U. S. Department of Labor, Bureau of Employment Security, *Sources of Data for Manpower Projections*, Handbook Series, March 1961.

(17) U. S. Department of Labor, Bureau of Employment Security, *Handbook: Projecting Manpower Requirements and Resources--States and Areas* (preliminary).

(18) U. S. Department of Labor, Bureau of Labor Statistics, *The Forecasting of Manpower Requirements*, April 1963.

(19) U. S. Department of Labor, Bureau of Labor Statistics, Tomorrow's *Manpower Needs*, (preliminary).

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A Statistical Profile of the Johnstown Labor Market Area

A STATISTICAL PROFILE OF THE JOHNSTOWN AREA

Introduction

The importance of quantitative data to economic and social development has gained increasing recognition at all levels of private and public sector. Unfortunately, the growth of statistics geared to a federal system of reporting and to nationwide users and programs has not been matched by a parallel growth of state or local statistics.

In assembling facts and statistics about a local area, there are a multiplicity of sources of data but no single center from which such data can be obtained. The growing importance of _The U. S. Statistical Abstract_ and of state quantitative source books has not yet provided an impetus to the development of comparable city or metropolitan collections of statistics.

An investigation of data available for the Johnstown area reveals many sources which are largely undeveloped. Only a small part of production information from government operations is reqularly published. Data collected in special surveys and studies are usually not widely circulated. Voluntary agencies frequently lack the technical skills and resources necessary for processing and publishing statistics. University sources are often focused on specialized areas of data.

In order to develop a comprehensive and continuing supply of quantitative data needed for community decision making and planning, a central coordinating point is needed in which the specialized skills and vision of a research-oriented staff can focus on the potential for developing statistics at the local level as well as the unique data needs of the community.

The quantitative data presented in this part of the Johnstown study are not intended to be an all-inclusive set of tables but are indicative of types of data available related to a community survey whose goals are the economic and social development of the area. Only the most important data which will show the broad picture of the area and its people have been included.

The tables appear in the following sequence: the area, the population and labor force, the extractive industries, manufacturing industries, and nonmanufacturing industries. In general, time series in each section are followed by most current data and by estimates. In selecting a sequence of areas, the larger areas (such as the two county Labor Market Area) are followed by small areas (such as the 19-municipality Greater Johnstown Area and the City of Johnstown).

As in the case of any statistical data, there are a number of limitations which should be kept in mind. Data from the most recent decennial Census of Population are now almost nine years out of data. The Census volumes should be consulted for specialized definitions and for information about methods of collection and errors inherent in the data. A consideration of estimates sometimes requires the study of complex methodology, but at other times is blocked by a lack of implicitly stated assumptions.

In addition to the data in this Statistical Profile, the reader is also referred to the data presented in Parts II, III, and IV and Appendices to these parts of the report, to the notes on methodology in the Appendices, and to data from unpublished tables from the 1965 and 1968 Greater Johnstown Community Surveys listed in Appendix A to Part IV.

A Statistical Profile of the Johnstown Labor Market Area

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POPULATION:--INHABITANTS AND THEIR CHARACTERISTICS

TABLE 1

POPULATION OF THE JOHNSTOWN LABOR MARKET AREA, 1900-1960

Year	Population	Area as percentage of Pa. total
1900	154,298	2.4
1910	233,848	3.0
1920	279,951	3.2
1930	283,910	2.9
1940	298,416	3.0
1950	291,354	2.8
1960	280,733	2.5

Includes Cambria and Somerset counties.

Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Population, 1960, Pennsylvania: Number of Inhabitants, PC(1)-40 A; and earlier Censuses.

TABLE 2

POPULATION OF MAJOR SUBDIVISIONS, JOHNSTOWN LABOR MARKET AREA, 1950 AND 1960

Area	Population		Percent change
	1950	1960	
Labor market area, total	291,354	280,733	- 3
Cambria County	209,541	203,283	- 3
Somerset County	81,813	77,450	- 5
Greater Johnstown Area*	110,180	112,641	+ 2
Johnstown City	63,232	53,949	-15

*Includes city of Johnstown; boroughs of Brownstown, Daisytown, Dale, E. Conemaugh, Ferndale, Franklin, Geistown, Lorain, Southmont, Westmont; and townships of Conemaugh, E. Taylor, Lower Yoder, Middle Taylor, Richland, Stonycreek, Upper Yoder, and W. Taylor.

Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Population, 1950 and 1960, Pennsylvania: General Population Characteristics, Tables 13, 25.

TABLE 3

ANNUAL ESTIMATES OF POPULATION, JOHNSTOWN LABOR MARKET AREA, 1961-1968

Year	Estimate	Source
1961	279,000	1
1962	276,000	2
1963	270,000	2
1964	273,000	2
1965	256,000	3
	270,000	4
	271,000	2
1966	267,700	5
	269,500	2
1967	274,000	6
1968	282,000	7

Sources:
1. Pa. Dept. of Internal Affairs, Bureau of Statistics, Pa. Personal Income, etc., Report IP-1.
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TABLE 4

ANNUAL ESTIMATES OF THE POPULATION OF MAJOR SUBDIVISIONS OF THE JOHNSTOWN LABOR MARKET AREA, 1961-1968

Area	Year	Population	Source
Greater Johnstown	1965	109,826	1
	1966	113,925	2
	1968	124,950	5
Cambria County	1961	201,000	3
	1962	198,000	3
	1963	196,000	3
	1964	194,000	4
	1965	192,000	4
		204,220	1
	1966	190,000	4
Somerset County	1961	78,000	3
	1962	78,000	4
	1963	78,000	3
	1964	79,000	4
	1965	79,000	4
	1966	80,000	4
Johnstown City	1962	51,000	4
	1963	48,000	4
	1964	48,000	4
	1965	46,000	4
		50,493	1
	1966	45,000	4
		51,080	2
	1968	52,400	5

Sources:
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2. Cambria County Community Action Council, The County Statistical Report, 1966.
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5. The Pennsylvania State University, Institute for Research on Human Resources, estimate based on 1968 Greater Johnstown Community Survey.

TABLE 5

OCCUPATION GROUP OF EMPLOYED AND UNEMPLOYED PERSONS, 1960 JOHNSTOWN LABOR MARKET AREA

	Number	
	Employed	Unemployed
Professional, technical and kindred workers	7,730	136
Farmers and farm managers	1,738	11
Managers, officials, and proprietors, including the self-employed (except farm managers)	5,447	116
Clerical and kindred workers	8,727	448
Sales workers	6,552	298
Craftsmen, foremen, and kindred workers	13,793	1,590
Operatives and kindred workers	21,374	3,640
Private household workers	1,219	80
Service workers, except private household workers	7,394	524
Farm laborers and farm foremen	1,043	151
Laborers, except farm and mine	7,401	1,582
Occupation not reported	2,381	615

Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Population, 1960, Pennsylvania: General Social and Economic Characteristics, Report PC(1)-40C, Table 74, 75. Categories summed.

TABLE 6

BIRTHS AND DEATHS AND RATES PER 1,000 POPULATION, CAMBRIA AND SOMERSET COUNTIES AND CITY OF JOHNSTOWN: 1956, 1960, AND 1966

Area		Births		Deaths	
		Number	Rate	Number	Rate
Cambria County:	1956	4,935	22.8	2,115	9.8
	1960	4,259	21.0	2,153	10.6
	1966	2,933	15.4	2,109	11.1
Somerset County:	1956	1,628	19.7	808	9.8
	1960	1,559	20.1	853	11.0
	1966	1,163	14.6	954	12.0
City of Johnstown:	1956	2,135	33.2	919	14.0
	1960	1,206	22.4	911	16.9
	1966	757	16.8	760	16.9

Source: Pa. Dept. of Health, Bureau of Adm. and Mgt., Natality and Mortality Statistics, 1956, 1960, and 1966.

TABLE 7

POPULATION CHARACTERISTICS
JOHNSTOWN LABOR MARKET AREA, 1960

Characteristics	Percentage of Area total population	
	Johnstown	Pa.
Sex:		
Male	49.2	48.7
Female	50.8	51.3
Color:		
White	98.7	92.4
Nonwhite	1.3	7.6
Nativity:		
Nativeborn of native parents	77.6	77.9
Foreignborn, or nativeborn of foreign or mixed parentage	22.4	22.1
Western European	8.4	-
Central European	12.4	-
Eastern European	0.9	-
Other	0.7	-
Age:		
Under 5 years	10.6	10.5
5 -- 9	10.5	9.7
10 -- 14	9.9	8.9
15 -- 19	7.6	7.1
20 -- 44	30.6	32.2
45 -- 64	20.9	21.9
65 years and older	9.9	9.7
Years of school completed:[a]		
No school or less than 8 years	24.4	19.1
8 years of elementary school	21.2	19.0
1 -- 3 years of high school	20.9	23.9
4 years of high school	25.8	26.0
1 -- 3 years of college	4.3	6.5
4 years of college	2.2	3.5
5 or more years of college	1.2	2.0

[a] By persons 14 years old and over.

Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Population, 1960, General Population Characteristics, Pa., PC(1) 40 B Pa., Table 13; and Detailed Characteristics, Pa., PC(1) 40 D Pa., Tables 94, 96, 103. Percentages calculated.

TABLE 8

HOME OWNERSHIP IN THE GREATER JOHNSTOWN AREA BY INCOME AND RACE CHARACTERISTICS, 1968

Characteristic	Percentage of total Johnstown	 Suburbs
Home ownership, total	100.0	100.0
Rent	48.0	13.7
Own	52.0	86.3
Family income, 1967, total	100.0	100.0
Less than $2,000	12.1	5.3
$2,000 to $3,999	19.8	11.7
$4,000 to $5,999	22.5	16.3
$6,000 to $7,999	23.8	28.2
$8,000 to $9,999	16.1	20.1
$10,000 and over	5.4	18.3
Not reported	0.3	----
Race, total	100.0	100.0
White	95.3	99.2
Nonwhite	4.7	0.8

Source: The Pennsylvania State University, Institute for Research on Human Resources, 1968 Greater Johnstown Community Survey.

EMPLOYMENT AND UNEMPLOYMENT

TABLE 9

AN OVERVIEW OF EMPLOYMENT
JOHNSTOWN LABOR MARKET AREA
CIVILIAN WORK FORCE, UNEMPLOYMENT AND EMPLOYMENT BY INDUSTRY:
MONTHLY AVERAGES FOR SELECTED YEARS, 1960-1968
(in thousands)

	1960	1962	1965	1966	1968
Civilian work force (estimated)	95.5	90.8	89.3	90.5	92.6
Unemployment (estimated)	12.3	13.7	5.1	4.2	5.2
Percentage of civilian work force unemployed	12.9	15.1	5.7	4.5	5.6
Employment, total (estimated)	83.2	77.1	84.2	86.3	87.4
Farm employment (estimated)	3.0	2.9	2.8	2.8	2.8
Nonfarm employment (estimated)	80.2	74.2	81.4	83.4	84.6
Self-employed, unpaid family & domestic workers (estimated)	8.6	8.7	8.7	8.3	7.8
Wage and salary workers	71.6	65.5	72.7	75.2	76.8
Manufacturing industries, total	26.1	21.7	26.0	26.5	25.3
Durable goods industries, total	19.1	14.3	18.1	18.8	17.8
Metals and metal products, machinery and transportation equipment	17.6	12.8	16.4	17.0	15.9
Other durable goods industries	1.5	1.5	1.7	1.8	1.9
Lumber and wood products, furniture and fixtures	0.8	0.8	1.0	1.1	1.1
Nondurable goods industries, total	7.0	7.4	7.9	7.7	7.5
Apparel and related products	4.7	5.0	5.4	5.2	5.1
Other nondurable goods industries	2.3	2.4	2.5	2.6	2.4
Food products	1.6	1.6	1.5	1.5	1.3
Nonmanufacturing industries, total	45.5	43.8	46.8	48.7	51.5
Mining	6.3	5.1	5.1	5.1	4.6
Contract construction	1.9	1.9	1.9	2.6	3.1
Transportation and public utilities	5.3	4.8	5.5	5.4	5.4
Wholesale and retail trade	12.4	11.7	11.8	12.2	12.9
Finance, insurance and real estate	1.8	1.7	1.8	1.9	2.0
Service and miscellaneous[1]	9.3	9.3	10.3	10.5	11.8
Government[2]	8.5	9.3	10.4	11.0	11.8
Federal	0.7	0.7	0.8	0.9	0.9
State and local	7.8	8.6	9.6	10.1	11.1

[1] Includes forestry (except logging) and fisheries.

[2] All government employees are included, regardless of the nature of their activities.

Source: Pa. Dept. of Labor & Industry, Bureau of Employment Security, Report on Total Civilian Work Force, etc., by Industry: Annual Averages, 1960-1967, (4/68); and monthly Johnstown Labor Market Letter, 1968. Averages for 1968 calculated.

TABLE 10

JOHNSTOWN LABOR MARKET AREA
INDEXES OF EMPLOYMENT AND UNEMPLOYMENT
BY MONTH, 1960-1968 (SEASONALLY ADJUSTED; 1957-59 = 100)

Month	1960	1961	1962	1963	1964	1965	1966	1967	1968
Total employment									
Jan.	98.5	94.2	90.3	89.0	93.4	97.3	98.9	100.8	100.9
Feb.	98.5	88.6	91.2	89.3	93.9	97.2	99.3	100.3	101.9
March	98.5	88.5	91.3	90.1	94.1	97.3	99.8	100.5	101.9
April	98.1	87.5	91.6	90.8	94.2	97.7	97.3	100.7	102.5
May	98.3	87.3	91.0	91.5	93.9	97.8	100.5	100.2	103.6
June	98.1	88.2	89.5	91.9	94.4	97.7	101.0	100.8	104.2
July	96.3	87.6	89.5	93.3	95.3	98.1	101.2	100.5	103.0
Aug.	94.9	88.7	88.6	91.9	95.2	98.1	101.5	100.7	102.3
Sept.	96.2	88.9	88.1	92.4	95.9	98.4	101.3	100.2	101.1
Oct.	96.0	89.2	88.0	92.8	96.0	98.3	101.5	100.0	99.5
Nov.	93.8	90.0	88.3	93.2	96.3	98.2	101.2	100.5	100.5
Dec.	93.3	90.7	88.5	93.0	96.8	98.8	100.1	100.6	99.8
Manufacturing employment only									
Jan.	105.7	98.5	86.3	84.2	95.0	102.4	101.3	103.4	100.7
Feb.	107.6	80.3	87.9	84.9	95.9	101.8	101.1	102.0	101.3
March	105.8	80.0	89.3	87.1	96.3	101.3	101.5	103.3	101.1
April	107.2	80.6	90.6	88.9	95.9	102.0	102.9	102.4	101.6
May	106.5	78.4	88.6	91.6	95.8	102.3	103.4	100.5	102.0
June	105.7	79.7	84.2	93.1	96.4	101.9	104.8	99.9	102.9
July	104.0	78.1	80.8	93.4	98.0	102.5	105.3	98.8	102.2
Aug.	99.6	80.0	83.1	93.4	98.4	103.0	105.7	99.8	101.2
Sept.	100.5	80.5	83.2	92.8	99.6	102.4	106.0	99.2	96.0
Oct.	97.1	81.8	83.0	93.6	101.0	101.6	107.0	99.1	94.4
Nov.	94.3	84.7	82.6	94.4	101.0	99.2	105.4	100.2	93.1
Dec.	92.3	85.7	83.5	93.9	101.2	101.2	104.7	100.7	95.4
Nonmanufacturing employment only									
Jan.	95.0	91.4	90.6	89.2	90.5	94.3	98.4	101.3	103.7
Feb.	95.2	90.8	90.6	89.1	90.7	94.5	99.2	101.2	104.6
March	94.6	91.0	90.4	89.5	91.2	94.9	100.3	101.4	105.2
April	94.9	88.6	90.5	89.5	91.6	95.3	95.4	101.8	106.2
May	94.3	90.0	91.0	89.8	91.7	95.2	100.4	102.3	107.4
June	94.6	90.8	90.5	89.4	91.9	95.2	100.5	103.2	107.7
July	90.0	88.3	90.6	90.4	92.2	95.7	100.5	103.5	106.0
Aug.	93.5	91.2	89.5	89.1	92.6	95.7	101.1	103.3	105.9
Sept.	93.9	91.0	88.1	90.1	93.3	96.6	100.6	102.9	105.0
Oct.	93.3	91.2	88.3	90.7	93.0	97.1	100.8	102.7	104.9
Nov.	92.6	90.8	88.8	90.5	93.4	97.8	100.7	102.8	106.7
Dec.	92.4	91.4	88.9	90.5	93.8	98.3	99.6	102.9	104.7
Rate of unemployment									
Jan.	87.5	111.9	120.6	99.9	66.0	47.2	40.4	41.3	38.2
Feb.	90.6	147.5	112.4	99.8	63.7	44.9	42.2	38.0	37.2
March	88.3	150.6	112.6	93.9	61.7	47.3	37.4	36.6	38.0
April	88.7	152.0	104.2	87.0	61.6	46.6	33.7	34.6	28.7
May	83.7	156.9	115.2	77.2	59.5	44.0	36.0	40.7	30.3
June	82.8	151.1	120.4	76.3	57.6	43.3	34.6	43.0	33.0
July	93.0	149.0	122.2	75.7	50.4	39.8	34.4	46.4	36.0
Aug.	98.3	141.6	116.6	75.8	49.4	40.8	33.4	44.5	45.6
Sept.	107.4	135.3	119.0	78.5	43.6	39.7	31.2	49.7	55.0
Oct.	110.0	133.4	121.1	67.8	44.5	42.1	26.8	47.8	54.4
Nov.	136.0	130.0	114.7	68.1	45.2	45.5	32.3	43.2	61.4
Dec.	130.0	116.0	112.1	68.6	45.7	41.8	41.9	39.8	52.5

Source: Center for Research, College of Bus. Ad., The Pennsylvania State University.

TABLE 11

WORK STOPPAGES IN THE JOHNSTOWN LABOR MARKET AREA 1958-1966

Year	No. of stoppages commenced	No. of workers involved	Man-days idle (000)	Percentage of estimated working time of all workers	
				Johnstown	Pa.
1958	9	1.720	19	0.12	0.22
1959	6	14,600	1,140[a]	7.51[a]	1.82[a]
1960	11	1,800	16	0.10	0.25
1961	7	1,470	28	0.20	0.22
1962	7	1,230	34	0.24	0.17
1963	5	160	3	0.02	0.16
1964	7	1,440	10	0.06	0.14
1965	9	200	2	0.02	0.19
1966	9	1,660	5	0.03	0.19

[a] Substantially influenced by national steel strike lasting 116 days.

Source: Compiled by Pa. Dept. of Internal Affairs, Bureau of Statistics, from records of the U. S. Dept. of Labor, Bureau of Labor Statistics.

TABLE 12

AVERAGE HOURLY AND WEEKLY EARNINGS OF FACTORY PRODUCTION WORKERS, JOHNSTOWN LABOR MARKET AREA, 1962-1968
(Monthly Average for the Year)

Industry group	1962	1963	1964	1965	1966	1967	1968
Hourly earnings:							
All Industries	$2.60	$2.65	$2.75	$2.84	$2.90	$3.00	$3.12
Durable goods	3.08	3.11	3.14	3.26	3.31	3.40	3.51
Nondurable goods	1.61	1.63	1.70	1.72	1.80	1.94	2.13
Weekly earnings:							
All industries	$96.96	$101.47	$105.07	$108.30	$109.69	$110.88	$116.95
Durable goods	118.37	124.46	126.00	128.64	129.72	130.11	135.02
Nondurable goods	57.28	56.68	57.81	59.74	61.60	65.88	74.27

Source: Pa. Dept. of Labor & Industry, Bureau of Employment Security, Johnstown Labor Market Letter.

TABLE 13

AVERAGE WEEKLY HOURS WORKED BY FACTORY PRODUCTION WORKERS, JOHNSTOWN LABOR MARKET AREA, 1962-1968

(Monthly averages for each year)

Month	1962	1963	1964	1965	1966	1967	1968
ALL MANUFACTURING INDUSTRIES							
January	35.6	36.1	37.1	37.4	36.8	37.4	37.9
February	38.5	37.6	38.3	38.3	36.9	37.0	37.9
March	36.3	37.8	37.6	38.1	37.6	37.8	37.9
April	37.9	40.3	38.1	39.4	38.8	37.2	39.3
May	36.9	39.3	38.0	38.5	37.6	37.8	38.1
June	39.0	38.6	38.1	38.0	38.2	37.6	38.9
July	37.4	38.6	39.2	39.4	39.2	37.0	38.9
August	37.6	38.2	38.9	38.3	37.7	36.4	34.3
September	38.3	40.0	40.4	37.1	37.3	35.6	36.0
October	36.7	37.6	37.8	37.6	38.8	36.7	37.0
November	37.3	37.4	37.4	37.1	37.3	36.3	36.5
December	36.8	37.3	37.3	37.5	36.6	36.5	36.2
Mo. average for year	37.4	38.2	38.2	38.1	37.7	36.9	37.4
METALS INDUSTRIES ONLY							
January	37.9	38.1	39.8	38.6	37.5	39.4	39.6
February	39.9	39.0	39.9	39.3	38.2	37.8	38.6
March	40.1	39.2	38.8	39.0	38.6	39.5	39.0
April	39.8	43.5	40.1	41.6	40.6	38.7	41.3
May	37.4	40.5	39.5	39.6	39.2	39.3	39.2
June	39.8	40.3	39.5	39.5	39.6	39.0	40.0
July	37.9	39.8	41.1	41.0	41.0	37.9	40.1
August	37.5	39.3	40.6	39.0	38.7	36.8	32.9
September	39.2	43.4	43.0	37.2	39.7	35.9	34.7
October	37.3	39.2	38.9	38.2	40.0	37.7	37.5
November	38.4	39.1	38.5	37.6	38.8	37.0	37.5
December	37.7	39.4	38.7	38.3	37.4	37.8	37.1
Mo. average for year	38.6	40.1	39.9	39.1	39.1	38.1	38.1
APPAREL INDUSTRY ONLY							
January	31.9	31.3	30.7	32.6	32.3	31.0	32.8
February	35.0	34.6	33.4	33.7	32.0	33.2	34.7
March	33.6	34.9	33.4	34.2	33.8	32.1	34.1
April	34.7	34.3	32.0	32.4	33.5	31.3	33.4
May	35.0	35.7	33.7	33.7	32.2	32.3	32.9
June	34.4	34.2	33.6	32.0	33.5	32.3	35.1
July	34.6	35.6	33.3	33.7	33.7	31.8	35.2
August	36.2	36.1	33.6	34.6	34.1	33.3	33.7
September	35.5	33.8	32.9	34.2	32.6	33.3	33.2
October	34.8	33.8	33.3	34.2	32.4	33.1	33.7
November	34.9	33.0	33.4	33.4	32.3	32.7	31.9
December	34.3	32.4	32.5	33.1	32.9	32.4	31.7
Mo. average for year	37.2	34.1	33.0	33.5	32.9	32.4	33.5

Source: Pa. Dept of Labor & Industry, Bureau of Employment Security, Johnstown Labor Market Letter. Mo. ave. for each year calculated.

PERSONAL INCOME

TABLE 14

PERSONAL INCOME BY MAJOR SOURCE, WHERE EARNED: JOHNSTOWN LABOR MARKET AREA, SELECTED YEARS, 1950-1966

(in thousands of dollars)

Type of Payment	1950	1959	1962	1965	1966
Total personal income	342,945	429,688	464,081	547,859	586,773
Total earnings:					
Wages and salaries	236,048	285,619	301,295	367,806	399,585
Other labor income	8,772	14,199	16,146	22,209	24,122
Proprietors' income	33,034	45,706	44,740	51,496	52,921
Property income	29,818	38,538	49,009	56,254	60,537
Transfer payments[1]	39,800	54,719	63,838	64,581	68,872
Less: Personal contributions to social insurance	-4,527	-9,093	-10,947	-14,487	-19,264

[1] Social security, unemployment compensation, veterans' pensions, and the like.

Source: U. S. Dept. of Commerce, Office of Business Economics, Regional Economics Information System, Table 5.00 (unpublished).

TABLE 15

PERCENTAGE DISTRIBUTION OF PERSONAL INCOME BY TYPE, JOHNSTOWN LABOR MARKET AREA, SELECTED YEARS, 1950-1966

(Percent of total personal income)

Type of income	1950	1959	1962	1965	1966
Total personal income	100.0	100.0	100.0	100.0	100.0
Total earnings:	81.0	80.4	78.0	80.6	81.2
Wages and salaries	68.8	66.5	64.9	67.1	68.1
Other labor income	2.6	3.3	3.5	4.0	4.1
Proprietors' income	9.6	10.6	9.6	9.4	9.0
Property income	8.7	9.0	10.6	10.3	10.3
Transfer payments	11.6	12.7	13.8	11.8	11.7
Less: Personal contributions to social insurance	-1.3	-2.1	-2.4	-2.6	-3.3

Source: U. S. Dept. of Commerce, Office of Business Economics, Regional Economics Information System, Table 5.03 (unpublished).

TABLE 16

PERSONAL INCOME: EARNINGS BY MAJOR INDUSTRIAL SECTOR, WHERE EARNED, JOHNSTOWN LABOR MARKET AREA, SELECTED YEARS, 1950-1966

(thousands of dollars)

Industrial Sector	1950	1959	1962	1965	1966
Total earnings	277,854	345,524	362,181	441,511	476,628
Farm earnings	8,535	8,840	6,489	8,584	8,546
Nonfarm earnings, total	269,319	336,684	355,692	432,927	468,082
Government earnings, total	13,850	32,800	39,619	47,511	54,638
Federal, total	3,298	6,377	7,266	7,493	8,684
Federal civilian	2,101	4,250	5,089	5,423	6,291
Military	1,197	2,127	2,177	2,070	2,393
State and local	10,552	26,423	32,353	40,018	45,954
Private nonfarm earnings, total	255,469	303,884	316,073	385,416	413,444
Manufacturing	80,626	112,590	133,847	175,180	185,740
Mining	79,771	48,460	32,080	38,971	42,363
Contract construction	7,495	13,943	14,512	16,319	19,842
Transportation, communications, public utilities	19,767	27,400	30,420	32,577	32,862
Wholesale and retail trade	40,525	58,476	57,367	64,169	66,725
Finance, insurance, real estate	4,287	8,530	9,025	11,019	11,661
Services	22,253	33,940	38,265	46,574	53,599
Other	745	545	557	607	652

Source: U. S. Department of Commerce, Office of Business Economics, Regional Economics Information System, Table 5.00 (unpublished).

TABLE 17

PER CAPITA PERSONAL INCOME, JOHNSTOWN LABOR MARKET AREA AND PENNSYLVANIA, SELECTED YEARS, 1950-1966

Year	Amount		Percentage of national average	
	Johnstown	Pennsylvania	Johnstown	Pennsylvania
1950	$1,213	$1,541	81	103
1959	1,550	2,196	72	102
1962	1,671	2,371	71	100
1965	2,008	2,755	73	100
1966	2,156	2,998	73	100

Source: U. S. Dept. of Commerce, Office of Business Economics, Survey of Current Business, Aug. 1967, p. 31; Aug. 1968, pp. 15, 33.

TABLE 18

BENEFICIARIES OF FEDERAL SOCIAL SECURITY PROGRAM, BY TYPE OF BENEFIT, CAMBRIA AND SOMERSET COUNTIES, AS OF DECEMBER 31, 1960 AND 1966

(Money Figures in Thousands of Dollars)

Types of Benefits	Cambria County		Somerset County	
	1960	1966	1960	1966
Total program:				
Number of persons	21,204	28,499	8,965	12,097
Monthly benefits	1,400.2	2,174.6	529.2	819.6
Old age and survivors' insurance beneficiaries:				
Retired workers, 62 or over:				
Number	9,440	12,045	4,055	5,388
Benefits	766.5	1,076.6	292.0	419.0
Other beneficiaries:[1]				
Number	10,039	12,214	4,153	4,936
Benefits	510.3	775.9	186.5	273.9
Disability insurance beneficiaries under 65:				
Disabled workers:				
Number	981	2,200	406	923
Benefits	95.9	240.1	38.5	95.6
Other beneficiaries:[2]				
Number	744	2,040	351	850
Benefits	27.5	82.0	12.2	31.1

[1] Wives or dependent husbands of retired workers; widows or dependent widowers of deceased workers; dependent parents of deceased workers; children of retired or deceased workers; and widows and dependent divorcees with children.

[2] Wives, husbands, or children of disabled workers.

Source: Pennsylvania Department of Public Welfare, Office of Planning and Research.

TABLE 19

BENEFIT PAYMENTS MADE UNDER UNEMPLOYMENT INSURANCE PROGRAMS, CAMBRIA AND SOMERSET COUNTIES, 1959, 1962 AND 1966

(In Thousands of Dollars)

Program	1959	1962	1966
Total, all programs	13,104	10,910	2,785
Unemployment compensation	11,250	9,907	2,568
Compensation to Federal employees	41	45	22
Compensation to exservicemen	36	489	195
Compensation to veterans	127	Program phased out	
Unemployment compensation paid under temporary 13-week extension program	1,650	469	Phased out

Source: Records of the Pennsylvania Department of Labor & Industry, Bureau of Employment Security.

TABLE 20

PUBLIC ASSISTANCE TO RESIDENTS OF CAMBRIA AND SOMERSET COUNTIES, 1961 AND 1967

	Cambria County		Somerset County	
	1960-1961[a]	1966-1967[b]	1960-1961[a]	1966-1967[b]
Monthly average number of persons assisted	10,947	6,462	5,179	3,352
Percentage of population	5.4	3.4	6.7	4.2
Expenditures, total ($000,000)	4.9	8.1	2.3	3.1
Assistance grants	4.3	3.3	2.0	1.8
Medical and other assistance and administration[c]	.6	4.8	.3	1.4
Per capita expenditures	$23.98	$42.46	$29.92	$39.25

[a] Fiscal year ending May 31, 1961.
[b] Fiscal year ending June 30, 1967.
[c] Includes maintenance of patients in local state institutions.

Source: Pennsylvania Department of Welfare, Office of Program Research and Statistics, *Pennsylvania Statistical Abstract*, 1961 ed., Table 81; 1968 ed., Tables 78, 79.

INDUSTRY AND BUSINESS

TABLE 21

MANUFACTURING INDUSTRIES, JOHNSTOWN LABOR MARKET AREA.
SUMMARY: PRODUCTION, EMPLOYMENT, AND
CAPITAL SPENDING, 1960-1966.

	1960	1961	1962	1963	1964	1965	1966
Labor Market Area							
No. of establishments..........	280	276	285	284	295	290	302
No. of employees.	26,139	21,707	22,374	23,550	25,112	26,487	26,903
Wages & salaries ($000).........	129,643	107,662	114,788	127,593	141,078	154,572	164,413
Capital expenditures ($000)...	15,322	13,069	25,527	20,023	13,104	16,795	17,061
Value of production ($000)....	433,006	334,445	357,878	406,521	493,289	560,914	616,726
Value added by mfg. ($000)....	215,861	166,478	176,786	204,595	248,818	264,418	296,882
Cambria County							
No. of establishments..........	164	166	177	173	180	176	182
No. of employees.	22,470	17,987	18,510	19,384	20,983	22,419	22,698
Wages & salaries ($000).........	120,490	97,602	103,973	116,012	129,033	141,803	149,894
Capital expenditures ($000)...	13,251	12,476	24,672	18,919	11,828	15,508	153,419
Value of production ($000)....	400,862	301,343	323,160	371,189	455,346	517,709	567,156
Value added by mfg. ($000)....	199,316	148,315	157,759	185,945	228,539	241,462	270,072
Johnstown, City of							
No. of establishments..........	72	76	75	71	75	69	73
No. of employees.	19,713	15,118	15,303	16,352	17,867	19,088	19,392
Wages & salaries ($000).........	112,400	89,724	95,046	106,130	118,975	129,751	138,152
Capital expenditures ($000)...	12,518	11,765	24,003	17,814	10,766	14,186	14,250
Value of production ($000)....	374,963	275,575	292,758	338,287	418,312	476,590	523,137
Value added by mfg. ($000)....	184,149	133,681	141,314	167,018	209,431	219,191	247,543
Somerset County							
No. of establishments..........	116	110	108	111	115	114	120
No. of employees.	3,669	3,720	3,864	4,166	4,129	4,068	4,205
Wages & salaries ($000).........	9,153	10,060	10,815	11,581	12,045	12,769	14,519
Capital expenditures ($000)...	2,071	593	855	1,104	1,276	1,287	1,719
Value of production ($000)....	32,144	33,102	34,718	35,332	37,943	43,205	49,570
Value added by mfg. ($000)....	16,545	18,163	18,027	18,650	20,279	22,956	26,810

Source: Pennsylvania Department of Internal Affairs, Bureau of Statistics, Industrial Censuses, *Statistics for Industry Groups, County and Urban Places*, various editions.

TABLE 22

INDUSTRIES OF THE JOHNSTOWN LABOR MARKET AREA, BY EMPLOYMENT AND NUMBER OF UNITS

First Quarter,
1962 and 1967

Industry group	No. of employees[a]		No. of Units	
	1962	1967	1962	1967
All industries	53,348	60,883	4,198	3,943
Agricultural services, forestry, etc.	38	44	14	12
Mining	5,040	5,064	253	140
Contract construction	1,502	2,300	267	282
Manufacturing, all	23,211	25,636	305	287
Food and kindred products	1,452	1,288	56	53
Apparel and related products	4,900	5,135	34	32
Lumber and wood products	505	590	74	66
Furniture and fixtures	135	D	10	12
Paper and allied products	70	23	4	3
Printing and publishing	463	451	27	21
Stone, clay and glass products	448	457	25	24
Fabricated metal products	747	429	20	19
Machinery, except electrical	310	473	15	18
Transportation equipment	163	1,857	9	6
Instruments and related products	D	252	3	4
Transportation and other public utilities	3,335	4,325	239	244
Local passenger transportation	541	D	47	46
Trucking and warehousing	764	1,371	146	150
Communication	D	832	15	19
Electric, gas and sanitary service	D	1,395	27	22
Wholesale trade	2,003	2,345	263	263
Retail trade	9,840	10,681	1,485	1,311
Finance, insurance, and real estate	1,504	1,803	274	269
Services	6,768	8,621	1,075	1,111

[a] Mid-March pay period

D Data withheld to avoid disclosure of confidential information.

Note: Subtotals do not add to totals because of omitted items.

Source: U. S. Dept. of Commerce, Bureau of the Census, County Business Patterns, Pennsylvania, 1962 and 1967 editions, Table 3.

TABLE 23
DISTRIBUTION OF INDUSTRIAL EMPLOYMENT, CAMBRIA AND SOMERSET COUNTIES

First Quarter,
1962 and 1967

	Number of Employees			
	Cambria County		Somerset County	
Industry group	1962	1967	1962	1967
All industries	42,807	48,773	10,541	12,110
Agricultural services, forestry, etc.	21	27	17	17
Mining	3,792	3,633	1,248	1,431
Contract construction	1,120	1,684	382	616
Manufacturing, all	19,591	21,821	3,620	3,815
Food and kindred products	1,051	1,053	401	235
Apparel and related products	3,251	3,208	1,685	1,927
Lumber and wood products	190	232	315	358
Stone, clay and glass products	380	288	68	169
Transportation and other public utilities	2,412	3,282	923	1,043
Local passenger transportation	212	D	329	311
Trucking and warehousing	492	947	272	424
Communication	529	632	D	200
Electric, gas and sanitary service	D	D	153	D
Wholesale trade	1,562	1,830	441	515
Retail trade	7,633	8,228	2,207	2,453
Finance, insurance, and real estate	1,156	1,397	348	406
Services	5,443	6,829	1,325	1,792

D = Data withheld to avoid disclosure of confidential information.

Source: U. S. Dept. of Commerce, Bureau of the Census, County Business Patterns, Pennsylvania, 1962 and 1967 editions, Table 2.

TABLE 24

MANUFACTURING INDUSTRIES, CITY OF JOHNSTOWN, CAMBRIA AND SOMERSET COUNTIES: PRODUCTION, EMPLOYMENT AND CAPITAL SPENDING, 1960-1968 BY SELECTED INDUSTRY GROUP
(Money Figures in Thousands of Dollars)

Industry Group	Johnstown		Cambria County		Somerset County	
	1960	1966	1960	1966	1960	1966
Number of Plants						
All mfg. industries	72	73	164	182	116	120
Food & kindred prod.	22	19	35	32	23	18
Apparel & related	5	4	15	18	10	12
Lumber & wood prod.	3	2	29	31	39	30
Furniture and fixtures	32	5	7	6	n.a.	5
Printing & publishing	11	13	19	24	9	15
Stone, clay & glass	8	7	16	18	10	11
Primary metals	a	3	3	4	a	a
Fabricated metal prod.	3	5	8	13	8	6
Machinery, exc. elec.	4	5	9	12	4	10
Machinery, electrical	a	3	5	5	a	3
Transportation equip.	4	4	6	6	a	2
Wages & Salaries						
All mfg. industries	112,400	138,152	120,490	149,894	9,153	14,519
Food & kindred prod.	4,615	5,184	5,342	6,025	1,443	1.183
Apparel & related	3,154	5,105	6,730	9,908	3,853	5,266
Lumber & wood prod.	254	D	756	1,136	816	1,285
Furniture and fixtures	301	398	365	425	n.a.	714
Printing & publishing	1,768	2,064	1,940	2,300	262	348
Stone, clay & glass	1,436	1,709	2,278	2,503	419	885
Primary metals	a	105,134	76,874	105,159	a	a
Fabricated metal prod.	439	575	700	1,002	874	956
Machinery, exc. elec.	284	1,428	1,196	1,743	197	1,015
Machinery, electrical	a	262	270	333	a	348
Transportation equip.	22,932	15,887	23,148	17,020	a	D
Value of Production						
All mfg. industries	374,963	523,136	400,862	567,156	32,144	49,570
Food & kindred prod.	17,422	19,701	20,478	22,677	11,872	12,937
Apparel & related	7,960	8,958	19,809	25,699	5,072	7,483
Lumber & wood prod.	743	D	2,440	4,167	2,068	3,732
Furniture and fixtures	1,411	1,857	1,607	1,907	n.a.	2,161
Printing & publishing	3,967	4,719	4,396	5,472	532	711
Stone, clay & glass	3,976	3,965	5,847	7,016	1,412	2,740
Primary metals	a	342,245	230,070	342,302	a	a
Fabricated metal prod.	1,517	1,743	2,430	4,001	3,853	4,859
Machinery, exc. elec.	796	4,428	3,086	5,548	482	2,811
Machinery, electrical	a	676	759	831	a	1,597
Transportation equip.	105,744	132,071	106,579	138,955	a	D

TABLE 24 (Continued)

Industry Group	Johnstown		Cambria County		Somerset County	
	1960	1966	1960	1966	1960	1966
Value Added by Manufacture						
All mfg. industries	184,149	247,543	199,316	270,072	16,545	26,810
Food & kindred products	8,228	8,261	9,796	9,461	3,122	2,679
Apparel & related	4,748	7,200	12,261	19,011	4,768	6,909
Lumber & wood products	412	D	1,469	2,324	1,327	2,433
Furniture & fixtures	635	890	725	919	n.a.	1,097
Printing & publishing	3,237	3,892	3,550	4,409	400	565
Stone, clay & glass	2,439	2,549	3,591	4,254	888	1,709
Primary metals	a	181,498	120,676	181,535	a	a
Fabricated metal products	617	742	1,055	1,724	1,841	2,557
Machinery, exc. elec.	446	3,043	1,927	3,507	336	1,670
Machinery, electrical	a	452	491	544	a	729
Transportation equipment	41,725	37,308	41,986	37,932	a	D
Capital Expenditures						
All mfg. industries	12,518[b]	14,250	13,251	15,342	2,071	1,719
Food & kindred products	9,973	531	1,178	627	288	419
Apparel & related	25.9	21	62	192	44	36
Lumber & wood products	---	D	168	441	146	272
Furniture & Fixtures	2	42	6	42	n.a.	60
Printing & publishing	114	201	120	212	7	134
Stone, clay & glass	438	271	568	350	127	114
Primary metals	a	12,684	9,990	12,684	a	a
Fabricated metal products	33	64	75	141	1,402	139
Machinery, exc. elec.	13	122	122	150	13	48
Machinery, electrical	a	44	5	56	a	75
Transportation equipment	907	268	915	375	a	D

Note: Items do not add to totals because of omissions.

[a] Included with "Other".

[b] Includes capital spending of $10 million by 9 firms not listed by industry, 2 of which were primary metals firms.

D = Data withheld to avoid disclosure of confidential information.

n.a. = Data not available.

Source: Pennsylvania Department of Internal Affairs, Bureau of Statistics, Statistics for Industry Groups, County and Urban Places, Releases M-2-60, and M-2-66.

TABLE 25

BITUMINOUS COAL PRODUCTION
JOHNSTOWN LABOR MARKET AREA
1960-1966
(Millions of net tons)

Year	Cambria County	Somerset County	Johnstown Metropolitan Area
1960	6.6	2.1	8.7
1961	6.0	2.1	8.1
1962	5.9	2.4	8.3
1963	7.0	3.1	10.1
1964	8.7	3.2	11.9
1965	8.9	3.7	12.7
1966	8.1	4.1	12.2

Source: U. S. Dept. of the Interior, Bureau of Mines, Minerals Yearbook, Vol. II, Fuels, 1960-1966 editions. The Pa, State University, College of Mineral Industries, Historical Statistics of Pennsylvania's Mineral Industries, 1759-1955, Table 12; supplement, 1956-1960, Table 14.

TABLE 26

AGRICULTURAL PRODUCTION, CAMBRIA AND SOMERSET COUNTIES, 1966
(Thousands of dollars)

Type of Production	Cambria County	Somerset County
Value of Production, 1966		
Principal crops	3,844	5,852
Milk	1,830	11,088
Poultry meat	1,535	207
Eggs	679	1,714
Maple syrup	---	146
Cash Receipts, 1965	9,170	16,180
Crops:		
Field crops	1,195	951
Vegetables	1,454	719
Fruits	20	76
Forest products	70	455
Horticultural specialties	663	609
Livestock:		
Meat animals	2,296	2,186
Dairy products	1,492	9,119
Poultry products	1,724	1,678
Government payments	256	387

Source: Pa. Dept. of Agriculture, Pa. Crop Reporting Service, Pennsylvania Crops and Livestock, Annual Summary, 1966.

TABLE 27

BANK DEBITS JOHNSTOWN LABOR MARKET AREA, 1966--1968

(Seasonally Adjusted, in Millions of Dollars)

Month	1966	1967	1968
January	120.1	120.3	137.1
February	120.4	115.0	125.5
March	124.3	119.3	134.4
April	123.6	124.4	142.4
May	123.5	126.9	144.8
June	124.8	122.4	136.2
July	122.7	125.3	139.8
August	128.0	128.2	142.3
September	122.7	130.0	139.7
October	124.9	130.0	143.9
November	127.5	130.4	169.5
December	121.6	131.9	144.4
Annual Total	1,484.3	1,504.1	1,700.1

Source: Federal Reserve Bank of Philadelphia.

TABLE 28

WHOLESALE TRADE, JOHNSTOWN LABOR MARKET AREA, 1958 AND 1963

Area	1958		1963		Per Cent Change 1958--1963	
	Number of est.	($000)	Number of est.	($000)	Number of est.	Sales
Johnstown Labor Market Area	292	132,197	295	136,404	+1	+3
Cambria County	221	109,763	214	112,503	-3	+2
Johnstown	144	78,757	125	78,849	-13	0
Remainder of County	77	D	89	D	+16	---
Somerset County	71	22,434	81	23,901	+14	+7
Somerset Borough	26	7,425	24	8,069	-8	+9
Windber	9	1,683	13	2,022	+44	+20
Remainder of County	36	13,326	44	13,810	+22	+4

D = Data withheld to avoid disclosure of confidential information.

Source: U. S. Department of Commerce, Bureau of the Census, Census of Business, 1963, Wholesale Trade, Pennsylvania, BC63-WA40, Tables 4, 5, 7.

TABLE 29

RETAIL TRADE, JOHNSTOWN LABOR MARKET AREA, 1963 BY NUMBER OF PAID EMPLOYEES AND PROPRIETORS

Area	Number	Percent of Total
Johnstown Labor Market Area	12,416	100.0
Cambria County	9,262	74.6
Johnstown, City of	4,849	39.1
Westmont	97	0.8
Geistown	242	1.9
Dale	40	0.3
East Conemaugh	223	1.8
Barnesboro	336	2.7
Cresson	203	1.6
Ebensburg	330	2.7
Portage	266	2.1
Somerset County	3,154	25.4
Windber	402	3.2
Somerset	1,170	9.4
Meyersdale	282	2.3

Source: U. S. Department of Commerce, Bureau of the Census, Census of Business, 1963, Retail Trade, Pennsylvania, BC63-RA40 (Revised), Tables 3, 4.

TABLE 30

RETAIL TRADE, JOHNSTOWN LABOR MARKET AREA, COMPARISON, 1958 AND 1963

Business Group	1958		1963		Per Cent Change 1958 to 1963	
	No. of estab.	Sales ($000)	No. of estab.	Sales ($000)	No. est.	Sales
Lumber, bldg., hardware, etc.	182	19,153	141	15,258	-23	-20
General merchandise	114	40,248	73	35,724	-36	-11
Food stores	664	68,625	576	74,579	-13	+9
Automobile dealers	146	43,656	150	54,811	+3	+26
Gasoline service stations	331	18,850	311	20,115	-6	+7
Apparel, accessory stores	169	13,392	135	12,383	-20	-8
Furniture, furnishings, appliances	137	12,711	112	11,630	-18	-9
Eating & drinking places	625	18,325	634	19,013	+1	+4
Drug & proprietary stores	64	5,854	59	6,781	-8	+16
Other retail stores	284	21,095	284	20,277	0	-4
Nonstores retailers	107	3,398	128	4,466	+20	+31
Retail trade, total	2,823	265,307	2,603	275,037	-8	+4

Source: U.S. Department of Commerce, Bureau of the Census, Census of Business, 1963, Retail Trade, Pennsylvania, BC63-RA40 (Revised), Tables 4, 10.

TABLE 31

RETAIL TRADE DISTRIBUTION, JOHNSTOWN LABOR MARKET AREA, 1963

Business Group	Stores, Number	Sales ($000)	Stores, Number	Sales ($000)	Stores, Number	Sales ($000)
	Cambria County		Somerset County		Johnstown City	
Lumber, building	76	9,265	65	5,993	20	4,648
General merchandise	50	31,146	23	4,578	13	27,121
Food	407	56,464	169	18,115	147	15,557
Auto dealers	96	38,261	54	16,550	26	15,611
Gasoline service	188	11,783	123	8,332	54	4,052
Apparel, etc.	101	9,921	34	2,462	42	4,623
Furniture, etc.	71	9,155	41	2,475	31	4,830
Eating, drinking places	468	13,077	166	5,936	157	5,955
Drug, proprietary	42	5,230	17	1,551	21	2,776
Other retail	192	13,095	92	7,182	77	6,134
Nonstore retail	98	3,473	30	993	35	2,138
	Ebensburg		Barnesboro		Portage	
Lumber, building	3	709	6	133	5	119
General merchandise	1	D	2	D	1	D
Food	6	2,718	13	3,322	18	1,891
Auto dealers	7	2,300	6	2,246	5	1,836
Gasoline service	8	527	4	354	9	538
Apparel, etc.	3	445	14	863	8	326
Furniture, etc.	8	348	4	709	4	448
Eating, drinking-places	14	437	11	318	17	239
Drug, proprietary	2	D	1	D	1	D
Other retail	12	578	9	434	8	250
Nonstore retail	---	---	---	---	3	D
	Windbe		Somerset		Meyersdale	
Lumber, building	6	203	15	1,602	9	1,161
General merchandise	3	D	4	1,745	3	D
Food	22	1,524	13	5,494	10	2,123
Auto dealers	5	3,353	12	6,462	9	2,777
Gasoline service	4	411	19	3,382	10	336
Apparel, etc.	3	154	11	1,696	8	284
Furniture, etc.	6	118	8	961	7	147
Eating, drinking places	22	444	28	2,650	10	137
Drug, proprietary	4	185	4	839	2	D
Other retail	16	863	24	3,852	10	651
Nonstore retail	2	D	4	525	---	---

[a] Workweek nearest November 15.

D = Data withheld to avoid disclosure of confidential information.

Source: U. S. Department of Commerce, Bureau of the Census, Census of Business, 1963, Retail Trade, Pennsylvania, BC63-RA40 (revised), Table 3.

TABLE 32

SERVICES INDUSTRIES
JOHNSTOWN LABOR MARKET AREA
SUMMARY, 1963

Business group	No. of est.	Receipts ($000)	No. of paid employees[a]	No. of active Proprietors
Hotels, motels, tourist courts, camps	104	3,384	315	119
Personal services	551	7,227	701	559
Business services	91	3,710	287	83
Auto repair, auto services, garages	238	5,034	266	252
Other repair services	169	2,341	125	177
Amusements	123	2,789	339	125
All services	1,276	24,485	2,033	1,315

[a] Workweek nearest Nov. 15.

Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Business, 1963, *Selected Services*, *Pennsylvania*, BC63-SA40, Table 4.

TABLE 33

SERVICE INDUSTRIES
COMPARISON, 1958 AND 1963
COUNTIES OF THE JOHNSTOWN LABOR MARKET AREA
(Receipts $000 and Number of Establishments)

	Cambria County				Somerset County			
	1958		1963		1958		1963	
Service	Est.	Receipts	Est.	Receipts	Est.	Receipts	Est.	Receipts
All	854	18,477	863	17,471	331	5,789	413	7,014
Hotels, etc.	66	1,909	66	1,824	48	1,179	38	1,560
Personal	394	6,054	415	5,600	126	1,342	136	1,627
Business	60	2,991	64	3,497	15	114	27	213
Auto rep.	131	3,074	129	2,804	75	1,813	109	2,230
Other rep.	113	2,070	113	1,838	29	326	56	503
Amusements	90	2,379	76	1,908	38	1,015	47	881

Source: U. S. Dept. of Commerce, Bureau of Census, Census of Business, 1963, *Selected Services*, *Pennsylvania*, BC63-SA40, Tables 5, 11.

TABLE 34

SERVICE INDUSTRIES
DISTRIBUTION IN JOHNSTOWN LABOR MARKET AREA, 1963
BY NUMBER OF ESTABLISHMENTS

	Hotels, motels	Personal services	Business services	Auto repair	Other repair	Amusements
Labor market area	104	551	91	238	169	123
Cambria County	66	415	64	129	113	76
Johnstown	13	170	34	53	38	36
Barnesboro	3	12	--	3	---	2
Ebensburg	2	16	2	3	8	2
Portage	5	24	--	4	6	6
Somerset County	38	136	27	109	56	47
Windber	3	21	--	12	6	5
Somerset	20	42	7	14	10	9
Meyersdale	1	17	--	10	--	3

Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Business, 1963, Selected Services, Pennsylvania, BC63-SA40, Tables 3, 4.

TABLE 35

SERVICE INDUSTRIES
DISTRIBUTION IN JOHNSTOWN LABOR MARKET AREA, 1963
BY NUMBER OF PAID EMPLOYEES AND ACTIVE PROPRIETORS

Area	Number	Percent of Total
Johnstown labor market area	3,348	100.0
Cambria County	2,436	72.8
Johnstown, city of	1,390	41.5
Geistown	36	1.1
Dale	16	0.5
East Conemaugh	46	1.4
Barnesboro	38	1.1
Cresson	48	1.4
Ebensburg	127	3.8
Portage	72	2.2
Somerset County	912	27.2
Windber	114	3.4
Somerset	269	8.0
Meyersdale	58	1.7

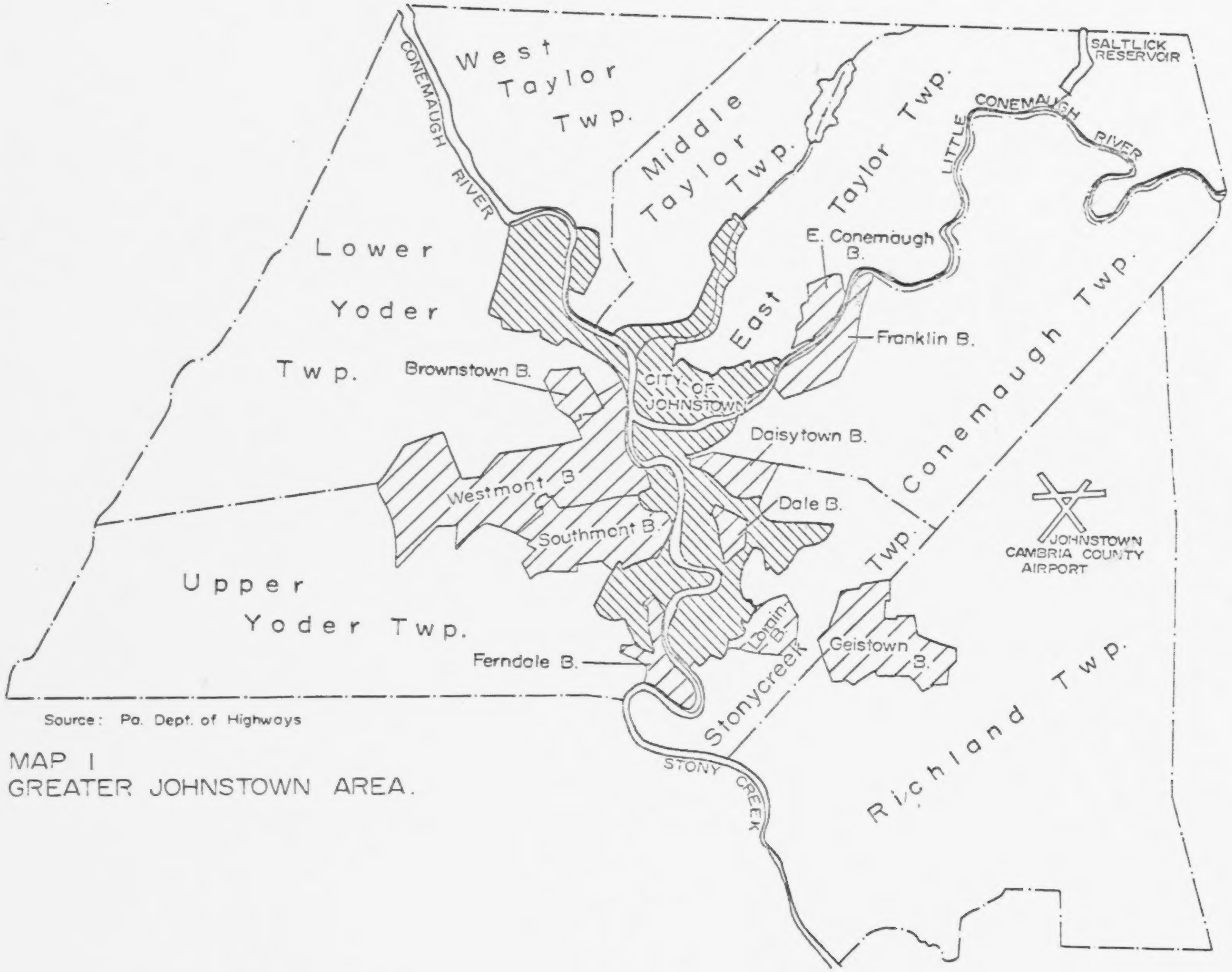
Source: U. S. Dept. of Commerce, Bureau of the Census, Census of Business, 1963, Selected Services, Pennsylvania, BC63-SA40, Table 3, 4. Percentages calculated.

MAJOR MANUFACTURERS OF THE JOHNSTOWN LABOR MARKET AREA

Establishments employing 50 or more persons in 1966

SIC Classification	Name of Firm	Location of plant	Number of employees
Food			
2026	Galliker Dairy Co.	Johnstown	94
	Johnstown Sanitary Dairy Co.	Johnstown	285
2051	Acme Markets, Inc., bakery	Johnstown	62
	Cambria Home Bakery, Inc.	Ferndale	52
	Harris-Boyer Co.	Johnstown	244
2053	Snyder's Potato Chips, Inc.	Berlin	63
2086	Tulip Bottling Co.	Johnstown	53
Apparel			
2321	Meyersdale Mfg. Co., Inc., shirts	Meyersdale	264
	Phillips-Van Heusen Corp.	Barnesboro, Patton	488
	Publix Mfg. Corp.	Callitizin	289
	Somerset Shirt & Pajama Co.	Somerset Township	165
2335	Cambria Dress Mfg. Co.	Nanty Glo	91
	Carol Ann Apparel Corp.	Johns. Industrial Park	136
	Cay Artley Apparel, Inc.	Johnstown	392
	Jo-Ann Dress Mfg. Corp.	Ebensburg	100
2341	Junior Form Lingerie Corp.	Boswell	583
	Salisbury Under Garment Co., Inc.	Salisbury	67
2342	A & F, Inc.	South Fork	106
	Bali Bra Mfg. Co., Inc.	Johnstown	600
	Bestform Foundations of Pa., Inc.	Johnstown	624
	Bestform Foundations of Windber, Inc.	Windber	526
	Pennsylvania Brassiere Corp.	Meyersdale	185
	True Form Mfg. Co.	Windber	65
2363	Davidsville Sportswear Co., Inc., children's coats and suits	Davidsville	73
	Sewland, Inc.	Conemaugh Township	170
2385	K & B Sportswear, Inc., raincoats	Portage	102
Furniture			
2511	Clapper's Mfg., Inc., wood household furniture	Meyersdale	117
Printing			
2711	Johnstown Tribune Publishing Co.	Johnstown	245
Footwear			
3141	Ace Footwear, Inc.	Hastings	184
	Bender Shoe Co.	Somerset	103
	Rosia Shoe Corp.	Portage	224
Clay Products			
3255	Hiram Swank's Sons, Inc. clay refractories	Johnstown	90
3261	Crane Co., Alliance Ware Division, china plumbing fixtures	Somerset	91
Metals			
3312	Bethlehem Steel Corporation	Johnstown	11,644
3321	Somerset Foundry & Machine Co.	Somerset Township	62
3323	United States Steel Corp., foundry	Johnstown	1,695
3399	The Glidden Company, metal powders	Johnstown	144
3532	Penn Machine Co., mining machinery	Johnstown	146
3585	Miller-Picking Corp., refrigeration equipment	Conemaugh Township	71
3713	Thiele, Inc., truck bodies	Paint Township	136
3715	Stevens Mfg. Co., truck trailers	Ebensburg	235
3742	Bethlehem Steel Corp. Car Shop, railroad cars and equipment	Johnstown	2,121
	Davis Brake Beam Co.	Johnstown	65
Instruments			
3841	United Metal Fabricators, Inc. medical and surgical instruments	Richland Township	124
3842	DeVilbiss Co., atomizers	Somerset	86

Source: Pa. Dept. of Internal Affairs, Pennsylvania Industrial Directory, 1968.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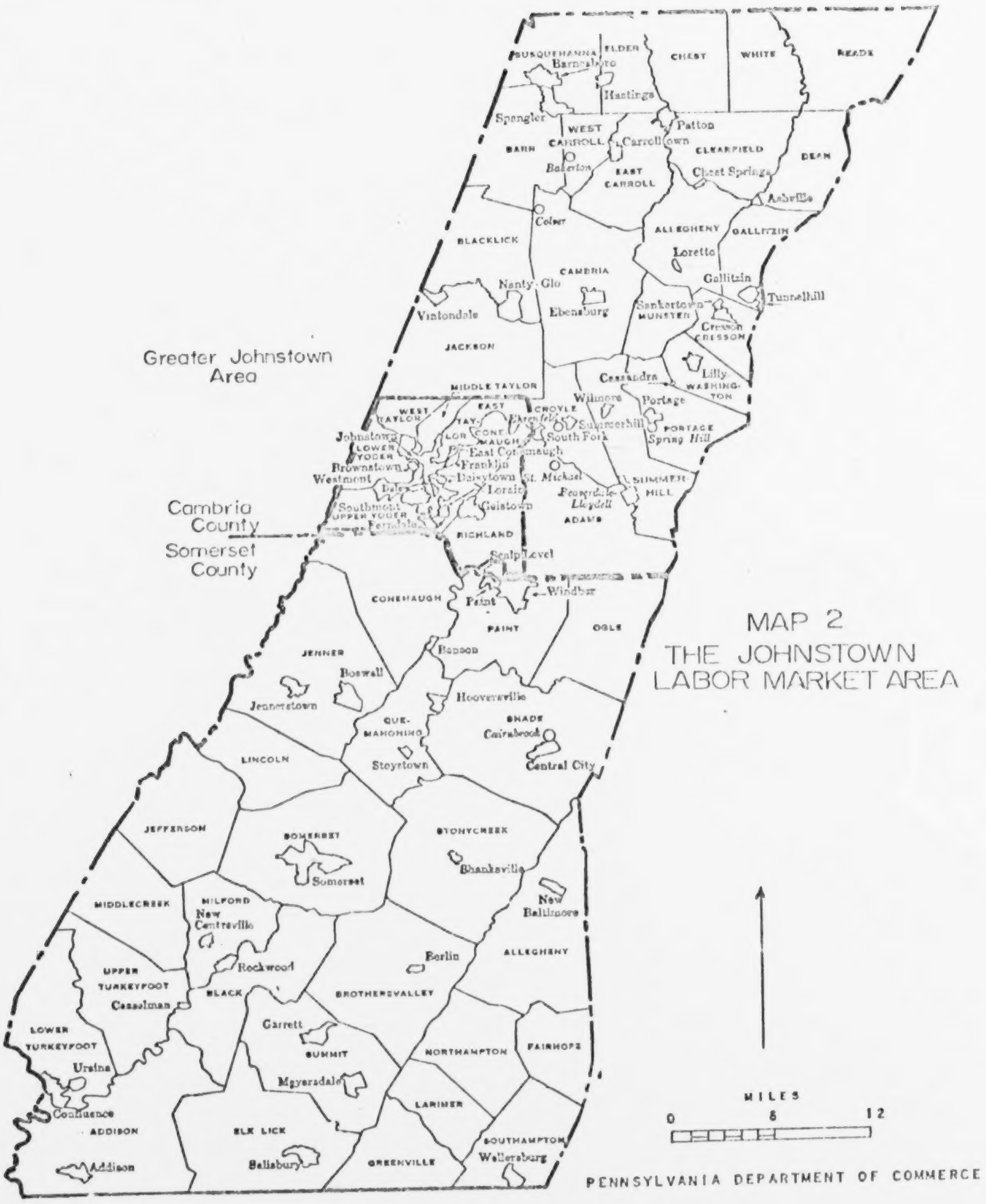
Middle Taylor Twp.
East Taylor Twp.
Lower Yoder Twp.
Upper Yoder Twp.
Conemaugh Twp.
Richland Twp.
Stonycreek Twp.
CONEMAUGH RIVER
LITTLE CONEMAUGH RIVER
SALTLICK RESERVOIR
STONY CREEK
E. Conemaugh B.
Franklin B.
CITY OF JOHNSTOWN
Brownstown B.
Daisytown B.
Westmont B.
Dale B.
Southmont B.
Lorain B.
Geistown B.
Ferndale B.
JOHNSTOWN CAMBRIA COUNTY AIRPORT

Source: Pa. Dept. of Highways

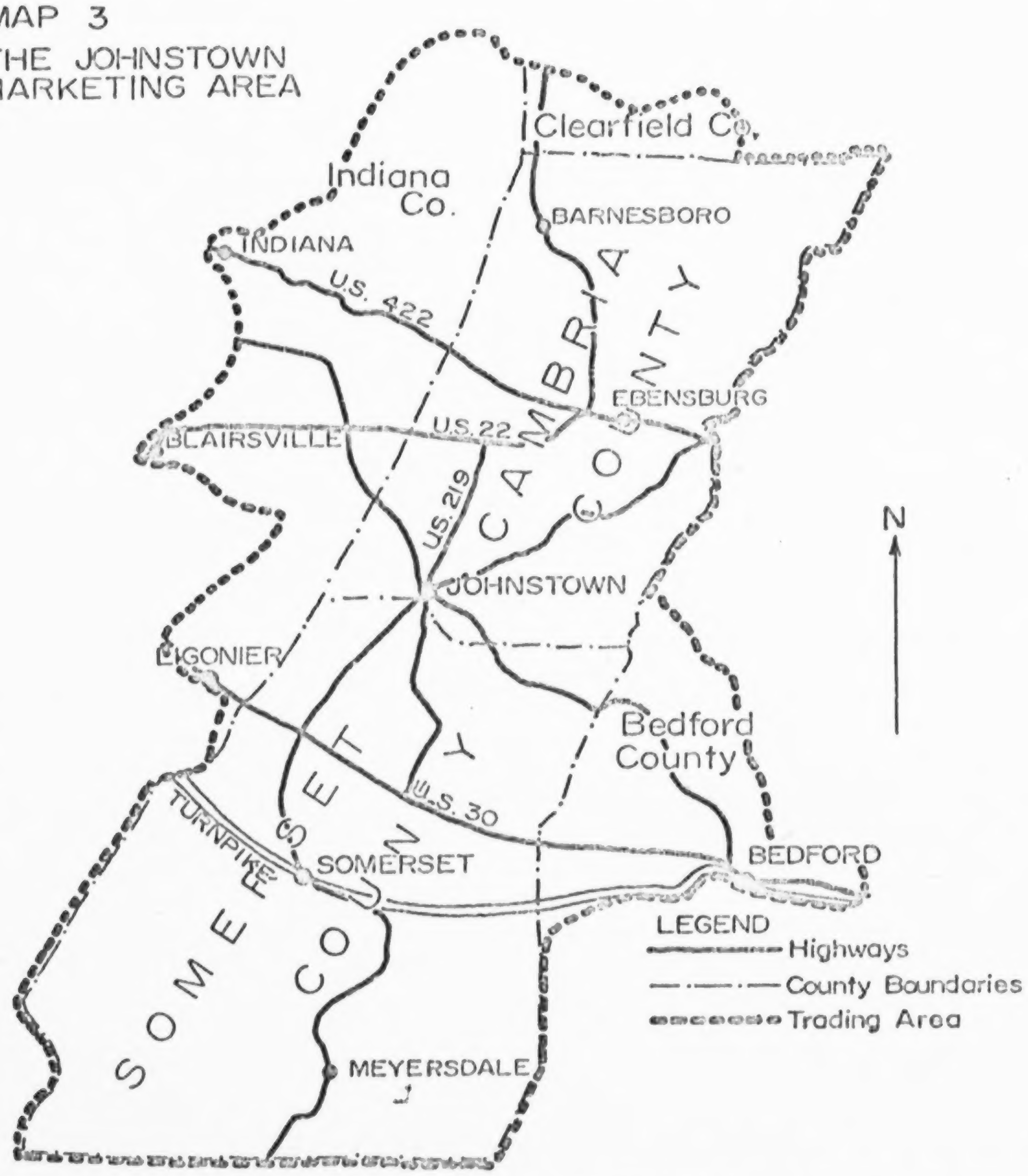
MAP I
GREATER JOHNSTOWN AREA.


SUSQUEHANNA
ELDER
Barnesboro
CHEST
WHITE
READE
Hastings
Spangler
WEST CARROLL
Carrolltown
Patton
BARR
Bakerton
EAST CARROLL
CLEARFIELD
Chest Springs
DEAN
Ashville
Colver
ALLEGHENY
GALLITZIN
BLACKLICK
Loretto
CAMBRIA
Nanty-Glo
Gallitzin
Vintondale
Ebensburg
Sankertown
MUNSTER
Tunnelhill
Cresson
CRESSON
JACKSON
Lilly
Greater Johnstown Area
MIDDLE TAYLOR
Cassandra
WASHINGTON
WEST TAYLOR
EAST TAYLOR
CROYLE
Wilmore
Portage
Ehrenfeld
Summerhill
PORTAGE
Johnstown
LOWER YODER
CONEMAUGH
South Fork
Spring Hill
Brownstown
Westmont
East Conemaugh
Franklin
Daisytown
St. Michael
SUMMERHILL
Dale
Lorain
Beaverdale
Lloydell
Southmont
UPPER YODER
Ferndale
Geistown
ADAMS
Cambria County
Somerset County
RICHLAND
Scalp Level
CONEMAUGH
Paint
Windber
PAINT
OGLE
JENNER
Boswell
Jennerstown
Hooversville
QUEMAHONING
SHADE
Cairnbrook
Stoystown
Central City
LINCOLN
JEFFERSON
SOMERSET
Somerset
STONYCREEK
Shanksville
New Baltimore
MIDDLECREEK
MILFORD
New Centreville
Rockwood
Berlin
ALLEGHENY
UPPER TURKEYFOOT
Casselman
BLACK
BROTHERSVALLEY
Garrett
LOWER TURKEYFOOT
Ursina
SUMMIT
NORTHAMPTON
FAIRHOPE
Meyersdale
Confluence
ADDISON
LARIMER
ELK LICK
SOUTHAMPTON
Addison
Salisbury
GREENVILLE
Wellersburg
MILES
0
6
12

MAP 2
THE JOHNSTOWN
LABOR MARKET AREA

PENNSYLVANIA DEPARTMENT OF COMMERCE

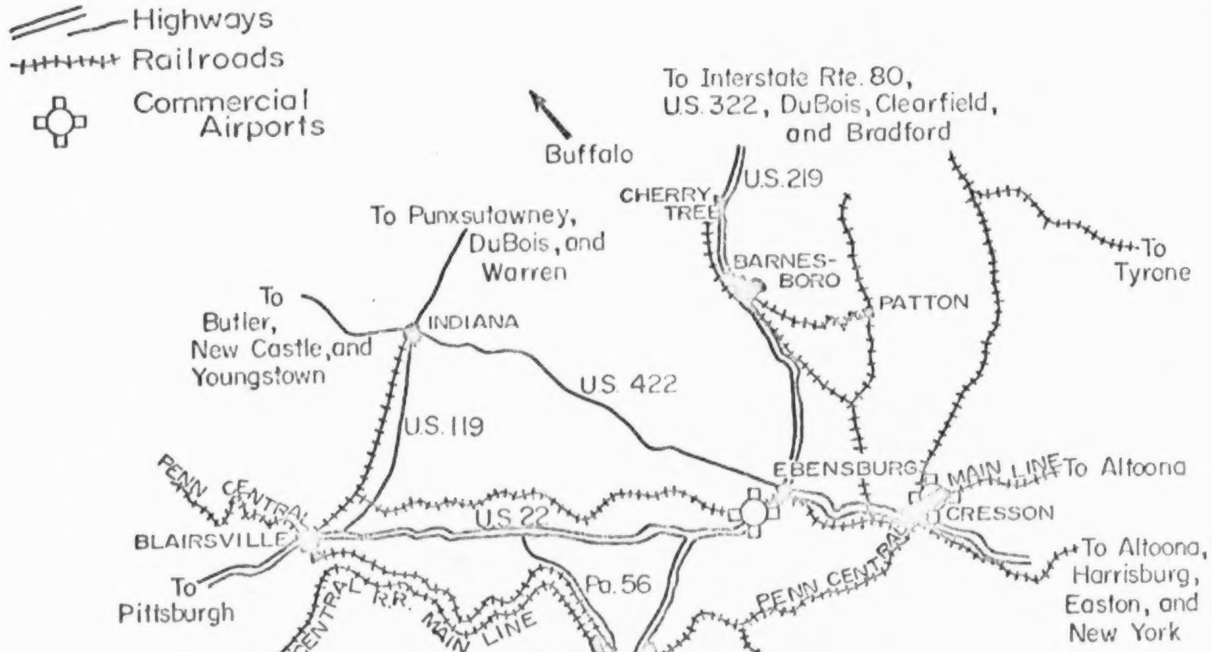
MAP 3
THE JOHNSTOWN
MARKETING AREA

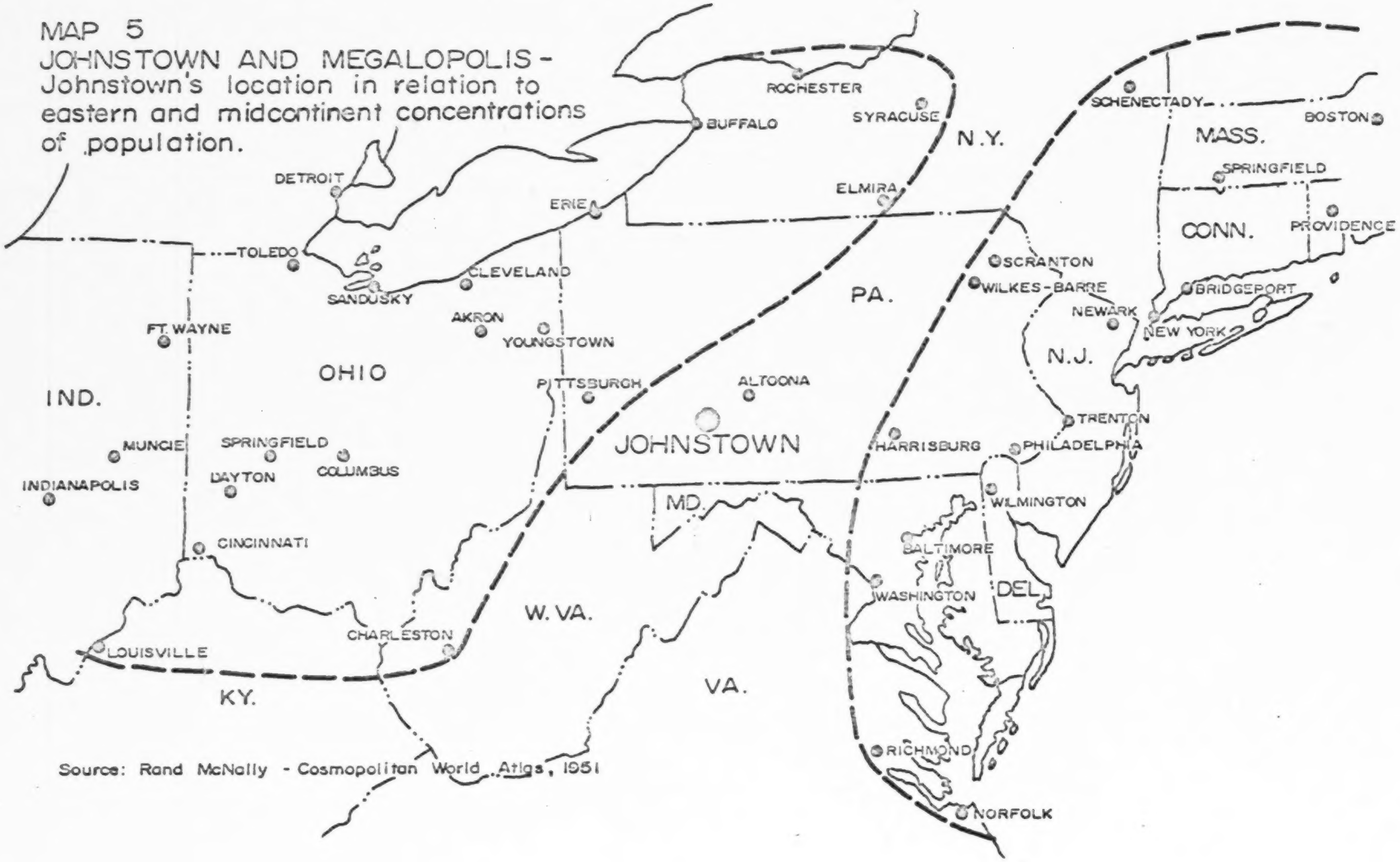

Clearfield Co.
Indiana
Co.
BARNESBORO
INDIANA
U.S. 422
CAMBRIA COUNTY
EBENSBURG
U.S. 22
BLAIRSVILLE
U.S. 219
N
JOHNSTOWN
LIGONIER
Bedford
County
U.S. 30
TURNPIKE
SOMERSET
BEDFORD
SOMERSET COUNTY
MEYERSDALE
LEGEND
Highways
County Boundaries
Trading Area

Source: Advertising Dept., Johnstown Tribune-Democrat

MAP 4

JOHNSTOWN AREA
TRANSPORTATION ROUTES.


Highways
Railroads
Commercial Airports
Buffalo
To Interstate Rte. 80, U.S. 322, DuBois, Clearfield, and Bradford
U.S. 219
CHERRY TREE
BARNES-BORO
PATTON
To Tyrone
To Punxsutawney, DuBois, and Warren
To Butler, New Castle, and Youngstown
INDIANA
U.S. 422
U.S. 119
EBENSBURG
MAIN LINE
To Altoona
CRESSON
To Altoona, Harrisburg, Easton, and New York
PENN CENTRAL
BLAIRSVILLE
U.S. 22
To Pittsburgh
Pa. 56
PENN CENTRAL
PENN CENTRAL R.R. MAIN LINE
JOHNSTOWN
To Pittsburgh
U.S. 30
LIGONIER
WINDBER
PENN CENTRAL
PENN C.
Pa. 56
JENNERS-TOWN
B. & O.
To Bedford Interchange
To Pittsburgh
Donegal Interchange
U.S. 30
To Harrisburg and Philadelphia
SOMERSET
Interchange
Pa. 31
BERLIN
To Connellsville, and Pittsburgh
BALTIMORE & OHIO R.R.
WESTERN MARYLAND R.R.
U.S. 219
B. & O.
HYNDMAN
MEYERS-DALE
W. Md.
U.S. 219
To Morgantown
U.S. 40
To Cumberland
To Cumberland


ROCHESTER
BUFFALO
SYRACUSE
N.Y.
SCHENECTADY
BOSTON
MASS.
SPRINGFIELD
CONN.
PROVIDENCE
DETROIT
ERIE
ELMIRA
TOLEDO
SANDUSKY
CLEVELAND
AKRON
YOUNGSTOWN
SCRANTON
WILKES-BARRE
PA.
NEWARK
BRIDGEPORT
NEW YORK
N.J.
FT. WAYNE
OHIO
IND.
PITTSBURGH
ALTOONA
JOHNSTOWN
TRENTON
HARRISBURG
PHILADELPHIA
MUNCIE
SPRINGFIELD
COLUMBUS
INDIANAPOLIS
DAYTON
MD.
WILMINGTON
CINCINNATI
BALTIMORE
WASHINGTON
DEL.
W. VA.
CHARLESTON
LOUISVILLE
KY.
VA.
RICHMOND
NORFOLK

MAP 5
JOHNSTOWN AND MEGALOPOLIS - Johnstown's location in relation to eastern and midcontinent concentrations of population.

Source: Rand McNally - Cosmopolitan World Atlas, 1951